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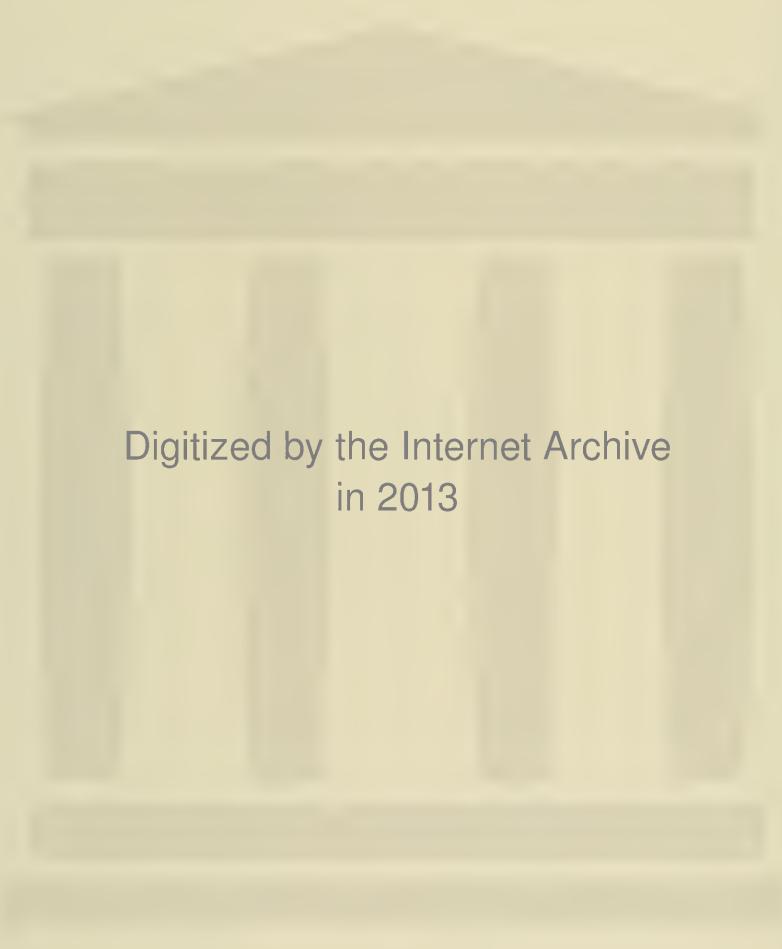
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CALENDAR Action
Take
BUDGET COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

DOCUMENTS DEPT.

AUG 27 1996
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WEDNESDAY, NOVEMBER 3, 1993 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS MIGDEN, HSIEH, ALIOTO

CLERK: KAY GULBENGAY

1. File 82-93-11. [Property Acquisition - Noise Easements] Resolution authorizing the acquisition of ninety-one noise easements in the City of Millbrae as part of the City of Millbrae's Aircraft Noise Insulation Project - Phase III - \$239,986.77. (Real Estate Department)

ACTION: Hearing held. Recommended.

2. File 97-93-59. [Library Revenue Expenditures] Ordinance amending Administrative Code by amending Section 10.117-13 thereof, to enlarge the types of revenues that may be deposited in the fund and enlarging the purposes for which proceeds in the fund may be expended. (Public Library)

ACTION: Continued to November 10, 1993 meeting.

3. File 101-93-24. [Government Funding] Ordinance appropriating \$2,211,922, Superior and Municipal Courts, for other non-personal services; placing \$328,000 on reserve. RO #93115 (Controller)

ACTION: Hearing held. Amended on page 1 lines 2 (in title) and 18 by replacing "328,000" with "324,500".

New Title: "Appropriating \$2,211,922, Superior and Municipal Courts, for other non-personal services; placing \$324,500 on reserve."
Recommended as amended. (Supervisor Alioto added as sponsor.)

4. File 47-93-8. [Off-Street Parking] Resolution changing all-day Sunday parking rate from \$1.50 to \$1.00 at Seventh and Harrison surface parking lot. (Supervisor Hallinan)

ACTION: Continued to call of the chair.

5. File 100-93-11. Hearing to consider the status of the 1993-94 Budget.
(Supervisor Migden)
(Continued from 10/20/93)

ACTION: Hearing held. Filed.

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NOTE: IT IS THE INTENTION OF THE CHAIR TO ENTER N A MOTION TO
CONTINUE THE FOLLOWING ITEM (File 127-93-22) TO NOVEMBER 17, 1993:

6. File 127-93-22. Hearing to consider Ordinance amending Part III, Municipal Code, by enacting a new Article 10A to impose a fee on telephone subscribers to finance 911 communication system consolidation and improvements and amending Article 10 to place a portion of utility users' tax proceeds in the 911 emergency response fund. (Supervisor Maher) (Also see 97-93-58 and 307-93-1.)

ACTION: Continued to November 17, 1993 meeting.

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

November 1, 1993

TO: Budget Committee

FROM: Budget Analyst

SUBJECT: November 3, 1993 Budget Committee Meeting

Item 1 - File 82-93-11

Departments: Real Estate Department
Airports Commission

Item: Resolution authorizing the acquisition of 91 noise easements from the City of Millbrae as part of the City of Millbrae's Aircraft Noise Insulation Project-Phase III.

Amount: \$239,987

Description: The San Francisco International Airport's Noise Easement Acquisition Program consists of insulating private residences and schools in the City of South San Francisco and other cities that are located near the San Francisco Airport.

Acquisition of these easements constitutes Phase III of the City of Millbrae Project. The Board of Supervisors has previously approved \$203,545 to acquire a combined total of 81 noise easements in the City of Millbrae. The proposed resolution, which would authorize the acquisition of 91 noise easements, would bring the total number of easements acquired by the City to 172.

Once purchased, the noise easements would remain in effect for 20 years. The estimated cost to the City to acquire the easements is \$239,987 or 20 percent of the total \$1,199,934 for construction costs to insulate the residences. The City of Millbrae would be responsible for the remaining 80 percent or \$959,947 of the total construction costs, which would be paid for by Federal grant funds.

Comments:

1. As noted above, the total costs to the City of acquiring the 91 additional noise easements is estimated at \$239,987. Mr. Marvin Ellis of the Airport reports that these funds are included in the Airport's FY 1993-94 operating budget for the noise monitoring program.
2. The City Attorney's Office has previously reported that the purchase of noise easements from the City of Millbrae enables the City to comply with State legal requirements and should result in eliminating costs to defend against noise-related small claims lawsuits.

Recommendation: Approve the proposed resolution.

Item 2 - File 97-93-59

Department: Public Library

Item: The proposed ordinance would amend Article XII, Chapter 10 of the San Francisco Administrative Code by amending Section 10.117-13, to (1) change the name of the Library Special Collections Fund, (2) enable additional types of revenues to be deposited in the Fund and (3) to add additional purposes for which proceeds in the Library Special Collections Fund may be expended.

Description: Section 10.117-13 of the Administrative Code provides for the establishment of the Library Special Collections Fund and outlines the rules and regulations regarding deposits to and expenditures from this Fund. The proposed ordinance would amend Section 10.117-13 as follows:

(1). To change the name of the Fund from the Library Special Collections Fund to the Library Special Collections and Services Fund.

(2). To designate three additional types of revenues that can be deposited to the Fund as follows: (a) proceeds from the provision of information services or publications sold by the Public Library, (b) fines collected on overdue and lost books and materials, and (c) charges for visitor cards. Currently, only sales of books from the Special Collections Department of the Public Library are deposited to the Fund.

(3). To add two other purposes for which the monies deposited to the Fund can be expended, as follows: (a) expenses incurred in the provision of information services and (b) the purchase, lease and maintenance of equipment and resources necessary for the provision of information services. Presently, the Fund can be expended for the following purposes: (a) expenses incurred in connection with the sale of books from the Special Collections Department, (b) purchase of additional books and related materials for the Special Collections Department of the Public Library, (c) purchase of special equipment and related items for the Special Collections Department of the Public Library deemed necessary to insure proper security and conservation of rare and valuable materials, and (d) Special fellowships awarded to individuals with

expertise in any area of the collections housed in the Special Collections Department of the Public Library.

Comments:

1. Ms. Seema Grover of the Public Library reports that revenues generated from visitor card charges, proceeds from information services or publications and fines collected on overdue and lost books and materials currently off-set the General Fund. As such, the proposed diversion of these funds to the proposed Special Fund would have a direct fiscal impact on the General Fund. For FY 1992-93, approximately \$164,000 in revenues were collected for fines collected on overdue and lost books and materials. As of the writing of this report, the Public Library was unable to provide the approximate amount of revenues collected from proceeds from information services or publications and visitor card charges. However, the Library advises that revenues generated in these two categories are relatively minimal at this time.
2. The Clerk of the Budget Committee advises that it is the intention of the Chair to entertain a motion to continue this item to the Budget Committee meeting on November 10, 1993.

Recommendation: In accordance with the intention of the Chair, continue the proposed ordinance to the Budget Committee meeting of November 10, 1993.

Item 3 - File 101-93-24

Department: Chief Administrative Officer (CAO)
Superior and Municipal Courts

Item: Ordinance appropriating \$2,211,922 and placing \$328,000 on reserve.

Amount: \$2,211,922

Source of Funds: Courthouse Construction Fund (Surcharges on civil and probate filing fees, parking fines and criminal fines are deposited into the Courthouse Construction Fund.) The balance of this fund as of October 28, 1993 was \$7,274,162.

Description: In June of 1993, the Board of Supervisors approved a \$3,845,822 supplemental appropriation to fund the start-up costs of a new courthouse for the Superior and Municipal Courts to be located on the corner of Polk and McAllister Streets. The proposed supplemental appropriation of \$2,211,922 would fund the remainder of the start-up costs of the new courthouse. More specifically, the proposed supplemental appropriation would fund: 1) completion of architectural and engineering services for the new courthouse, 2) asbestos abatement and removal at 450 and 460 McAllister Street and 3) contingencies for preconstruction activities.

Currently, there are 20 Superior Court courtrooms that handle civil cases and eight Municipal Court courtrooms that handle civil cases and a jury assembly room in City Hall. There are also eight Superior Court courtrooms that handle criminal cases and 14 Municipal Court courtrooms that handle criminal and traffic cases located in the Hall of Justice. The administrative offices for the Superior and Municipal Courts are in City Hall. The Superior Court also has three temporary courtrooms at 575 Polk Street.

The CAO's Office has devised a plan for making earthquake repairs and seismic improvements to City Hall. In order to make the earthquake repairs and seismic improvements to City Hall, all occupants of City Hall, including the courthouses of the Superior and Municipal Courts, jury assembly room and administrative offices, must be temporarily moved out of City Hall. The CAO plans to permanently move the courts' facilities currently located in City Hall into a new courthouse to be constructed at the corner of Polk and McAllister Streets. The CAO estimates that new courthouse will be completed in 1996 or 1997.

BOARD OF SUPERVISORS
BUDGET ANALYST

Budget: The \$2,211,922 proposed supplemental appropriation would be expended as follows:

As previously noted, the proposed ordinance indicates that \$328,000 of the proposed \$2,211,922 supplemental appropriation would be placed on reserve to be released by the Budget Committee. However, the Project Manager of the new courthouse reports that \$324,500 should be placed on reserve instead of \$328,000. Therefore, the proposed ordinance should be amended to delete reference to the \$328,000 on reserve and replace it with \$324,500 on reserve.

\$225,000 of the \$324,500 proposed reserve would fund asbestos abatement and removal at 450 and 460 McAllister Street which would be done when those buildings are evacuated sometime in April, 1994. The remaining \$99,500 of the \$324,500 proposed reserve would be used as a contingency fund to address problems and issues that may arise before the Environmental Impact Report (EIR) and permit approvals have been completed.

In addition to the \$324,500 proposed reserve, the proposed ordinance would fund an existing contract with the joint venture firm Hood Miller//Ross Drulis/Cavagnero-Barnes and John M.Y. Lee and 15 subcontractors. The CAO's Office has awarded the joint venture firm, Hood Miller//Ross Drulis/Cavagnero-Barnes and John M.Y. Lee, a contract of \$4,642,605 to provide architectural and engineering services to the new courthouse. The \$4,642,605 contract amount was reserved by the Budget Committee pending provision of additional information. Of that \$4,642,605, \$3,107,605 has been allocated to the joint venture. The remaining \$1,535,000 is for consultants' services to the joint venture, for a total of \$4,642,605. The Budget Committee appropriated and recently released \$2,755,183 (File 101-92-87.1) of the \$4,642,605 total contract, leaving a balance of \$1,887,422. This \$1,887,422 balance is part of this supplemental appropriation request.

The proposed ordinance would fund the remaining \$1,887,422 as follows:

Reimbursable Expenses

In accordance with the contract agreement between the City and the joint venturer, \$422,055, or 10 percent of the total hourly costs of \$4,220,550, would fund reimbursable expenses. (Total costs of \$4,642,605 noted above equal the \$4,220,550 hourly cost plus the \$422,055 costs for reimbursable expenses.)

BOARD OF SUPERVISORS
BUDGET ANALYST

Reimburseable costs include materials and supplies (major printings, telephone, faxes, delivery, blueprint services, etc.) and travel expenses associated with the architectural and engineering services provided by the joint venture.

Additionally, the Joint Venture would subcontract with 13 subcontractors to provide the various services totaling \$1,465,367. (The subcontractors received \$69,633 as part of the previous release of reserve, for a total cost of \$1,535,000.) The subcontractors to the joint venture are as follows:

<u>Company & Services to be Provided</u>	<u>Amount</u>
Martin Middlebrook & Louie (Structural Engr)	\$389,478
Ajmani & Assoc. (MBE) (Mech. & Electrical)	504,046
TBD (WBE) (Specifications)	38,190
Antonia Bava (MBE/WBE) (Landscape)	20,025
Jordan & Assoc. (MBE) (Civil Engineering)	38,190
Oppenheim Lewis, Inc (Cost Estimating)	95,474
VSA & Assoc. (Audio-Visual)	23,886
VSA & Assoc. (Acoustical)	21,956
Lerch, Bates (Elevator)	33,398
Sanchez-Corea/Schiff (MBE) (Low Voltage security)	117,429
Accessible Environments (Disabled Access)	14,304
Sanchez-Corea/Schiff (MBE) (Code expediting)	9,547
TBD (Lighting, graphics and parking)	<u>159,444</u>
Subtotal Subcontractors	\$1,465,367

In summary, the proposed supplemental appropriation request includes the following costs:

Summary of Proposed Expenditures

Asbestos and Contingency Costs

Asbestos Abatement	\$225,000
EIR Contingency	<u>99,500</u>
Total Funds Remaining on Reserve	\$324,500

Architectural and Engineering Services

Joint Venture	422,055
Joint Venture Subcontractors	<u>1,465,367</u>
Total Joint Venture	<u>1,887,422</u>

Total Supplemental Appropriation Request	\$2,211,922
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Comments:

1. As noted above, \$1,887,422 of the \$2,211,922 proposed supplemental appropriation would fund architectural and engineering services. The Board of Supervisors originally appropriated \$2,755,183 for architectural and engineering services which was based on 7.3 percent of the estimated construction costs of approximately \$37,790,471. The Courts advise that an additional \$1,887,422 would be required to fund architectural and engineering services for the following reasons:

- The estimated construction cost of the new courthouse has increased by approximately 15 percent, or \$5,668,570, from \$37,790,471 to \$43,459,041. This caused a corresponding increase in the cost of architectural and engineering services.
- The 7.3 percent of the estimated construction costs for architectural and engineering services was based on design fees normally associated with constructing an office building. According to Mr. Clyde Cohen of the CAO's Office, the design of the new courthouse is more complex than the design of an office building, resulting in a higher design cost relative to the construction costs. Therefore, 10.7 percent, or \$4,642,605 is being requested for architectural and engineering services in design costs, instead of 7.3 percent, or \$2,645,333. According to Mr. Norm Karasick of the Bureau of Architecture, it is appropriate that architectural and engineering services for construction of a new courthouse would equal 10.7 percent of construction costs
- The original architectural and engineering cost estimate did not include the design cost of \$700,000 associated with security and communication systems.

- The Civic Center location and design guidelines for the new courthouse require unusual study and detailing. In addition, the Civic Center location will require extensive agency and community group reviews, all of which increases the cost of design services.

2. As previously noted, the proposed ordinance indicates that \$328,000 of the proposed \$2,211,922 supplemental appropriation would be placed on reserve to be released by the Budget Committee. However, the Project Manager reports that, when this supplemental appropriation request was submitted, an error was made in calculating the Architectural and Engineering Services reimbursable costs. These costs were understated by \$3,500. This \$3,500 has been subtracted from the EIR contingency cost on reserve. (These contingency costs were included in the original budget at \$103,000, but has been reduced to \$99,500. Mr. Cohen reports that \$99,500 is anticipated to be sufficient for contingency costs.) Therefore, the proposed ordinance should be amended to delete reference to the \$328,000 on reserve and replace it with \$324,500 on reserve.

Recommendation: Amend the proposed ordinance to reserve \$324,500, rather than \$328,000, and approve, as amended.

Item 4 - File 47-93-8

Department: Department of Parking and Traffic (DPT)

Item: Resolution authorizing a decrease in the all-day Sunday parking rate at the Seventh and Harrison Streets surface parking lot.

Description: The proposed resolution would decrease the all-day parking rate on Sundays at the City-owned surface parking facility at the corner of Seventh and Harrison Streets from \$1.50 to \$1.00.

According to the proposed resolution, the DPT has determined that there is an excess capacity at the subject parking lot on Sundays. The proposed resolution also states that the general public and various community groups may be encouraged to park at the facility on Sundays, if the Sunday parking rate were reduced.

Comments:

1. According to Mr. Kevin Hagerty of the DPT, there are approximately 195 parking spaces in the subject parking lot. Mr. Hagerty estimates that on any given Sunday, approximately 160 automobiles use the subject parking lot. Of these 160, Mr. Hagerty estimates that approximately 150 of these automobiles belong to individuals attending Church at Vineyard Christian Fellowship (at the corner of Seventh and Harrison). Mr. Hagerty reports that presently Allright Parking (the vendor operating the subject parking lot for the City) collects in advance from Vineyard Christian Fellowship an amount of \$225 per Sunday (150 automobiles x \$1.50 rate), for the right to park up to 150 automobiles on a given Sunday. The 10 additional automobiles use a coin operated machine that dispenses a small ticket to be placed on the dashboard. Mr. Hagerty advises that the proposed resolution would require that this coin operated ticket dispenser be adjusted each Sunday because the rate on Sunday would be different from the rest of the week. (On Mondays through Fridays, until six in the evening, there is a parking lot attendant who charges hourly rates. The nightly rate after six P.M., and on Saturday and Sunday is \$1.50.)

2. Mr. Hagerty estimates that decreasing the all-day parking rate on Sunday would not have a significant effect on the amount of automobiles using the subject parking lot. Therefore, he estimates a decrease in gross annual revenues on Sundays from \$12,480 (160 vehicles x \$1.50 rate x 52 Sundays a year) to \$8,320 (160 vehicles x \$1.00 rate x 52 Sundays a year), for an annual decrease of \$4,160, a 33 percent reduction

in overall revenue. Of this \$4,160, the net annual decrease to the City, after subtracting vendor operating costs of \$1,308, would be \$2,852.

3. According to Mr. Hagerty, there are no other City-owned parking lots open for public use on Sundays in the immediate area of the Seventh and Harrison Street parking lot.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Memo to Budget Committee
November 3, 1993

Item 5 - File 100-93-11

Note: This item was continued by the Budget Committee at its meeting of October 20, 1993.

This is a hearing to consider the status of the 1993-94 budget.

At the October 13, 1993 Budget Committee meeting, Ms. Teresa Serata, the Mayor's Budget Director, issued a one-page document pertaining to the Fiscal Year 1993-94 budget entitled Summary - Revenues and Expenses. This summary document provided by Ms. Serata identifies some of the programs funded for six months in the 1993-94 budget, as well as various proposed expenditures which the Mayor's Office is currently anticipating, that were not previously considered by the Board of Supervisors. According to Ms. Serata, this summary provides a worst case scenario for the City's fiscal year 1993-94 budget.

In response, the Budget Committee sent a letter to the Mayor's Office requesting additional information regarding (1) the lack of compliance by City departments in adhering to their budgets; (2) the numerous supplemental appropriations being forwarded by the Mayor's Office to the Board of Supervisors; and (3) an update on the Police (\$2.0 million) and Fire (\$3.0 million) labor agreements. The Mayor's Office issued a press release in late October, 1993, responding to these various budget concerns. Ms. Serata has also informed the Budget Analyst that she will be available to respond to the Budget Committee concerning these matters.

In addition, the Budget Committee has sent letters to the Director of Emergency Services, Director of the Department of Public Health, Director of San Francisco General Hospital, the District Attorney, City Attorney, Tax Collector, General Manager of the Public Utilities Commission, Chief of the Fire Department, Chief of the Police Department, Sheriff, General Manager of the Department of Social Services and General Manager of the Municipal Railway expressing the Committee's concern regarding the lack of compliance with the 1993-94 budget and requesting that these department representatives attend the Budget Committee meeting to respond to Committee members questions concerning the status of their 1993-94 budgets.

During the Fiscal Year 1993-94 budget deliberations, the Board of Supervisors established various six month and full year reserves, as part of the final approved Annual Appropriations Ordinance for FY 1993-94. A summary status report on these reserves, totalling \$18,580,000, as prepared by the Controller's Office is attached (Attachment 1).

Also attached (Attachment 2) is a schedule prepared by the Controller that shows the current status of the General Fund Reserve and pending supplemental appropriation requests. If supplemental appropriations are approved in the amounts shown in Attachment 2, the General Fund Reserve will be reduced from its current balance of \$10,069,663 to \$4,826,298.

STATUS OF BOARD RESERVES

FY 1993-94

AS OF OCTOBER 12, 1993

RESERVE	BEGINNING BALANCE	CHANGES APPROVED	CURRENT BALANCE	CHANGES PENDING	WHERE PENDING	BALANCE AFTER CHANGES
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Six Month Restorations

Public Health Tier 1 & 2	9,200,000	0	9,200,000	(9,055,988)	Mayor	144,012
Library - Replace Parcel Tax	4,000,000	0	4,000,000	(4,000,000)	Mayor	0
DPH Children's Fund - Net (1)	1,600,000	0	1,600,000	(1,485,523)	Mayor	114,477
Muni Railway Maintenance	2,050,000	0	2,050,000	(1,986,685)	Board	63,115
DPW Street Cleaning Program	500,000	0	500,000	(477,167)	Board (2)	22,833
Zoo Partnership	200,000	0	200,000	(200,000)	Controller	0
DSS SSI Resource Center	200,000	0	200,000	(200,000)	Board (2)	0
Mission Alcohol Abuse &						
DMSF CE & I Programs	135,000	0	135,000	(127,793)	Mayor	7,207

Full Year Restorations

Human Rights Commission	155,000	0	155,000	(155,000)	Board	0
Rec Centers - Sunday Programs	140,000	0	140,000	(140,000)	Board	0
Tax Collector Enhancements	140,000	0	140,000	(139,630)	Mayor	370
Senior Information & Referral	100,000	0	100,000	0		100,000
Med Examiner Toxicologist	85,000	0	85,000	(51,801)	Board (2)	33,199
Senior Escort Program	29,000	0	29,000	0		29,000
Neighborhood Cultural Centers	26,000	0	26,000	(26,570)	Mayor	(570)
Day Laborer Program	20,000	0	20,000	0		20,000
Total:	18,580,000	0	18,580,000	(18,045,357)		533,643

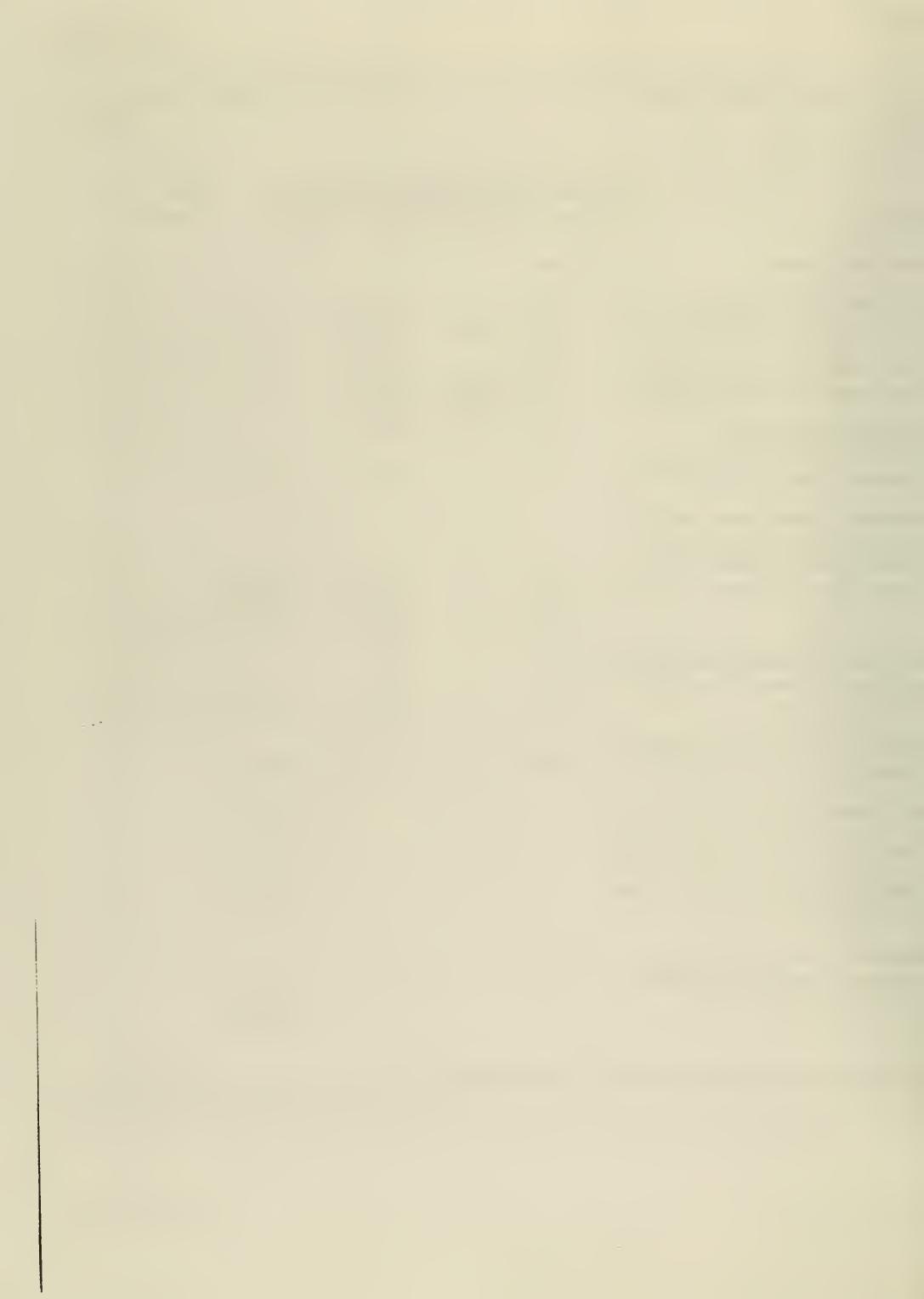
(1) Balance remaining in children's fund reserve may not be used unless criteria are met regarding the use of the children's fund.
 (2) On Budget Committee calendar for 10/13/93.

STATUS OF GENERAL FUND RESERVE

FY 1993-94

AS OF OCTOBER 12, 1993

<u>RESERVE</u>	<u>BEGINNING BALANCE</u>	<u>CHANGES APPROVED</u>	<u>CURRENT BALANCE</u>	<u>CHANGES PENDING</u>	<u>BALANCE AFTER CHANGES</u>
General Fund Reserve	10,511,484				
Increase appropriation for municipal symphony concerts per tax rate ord.:			(35,505)		
Parking & Traffic supplemental to add staff due to transfer of parking citation function:		(406,316)			
		(441,821)	10,069,663		
<u>Supplements Pending at Board</u>					
District Attorney supplemental to reduce salary savings and increase fringe benefits:				(500,000)	
District Attorney - Family Support supplemental to increase temporary staffing to reduce backlog of child support cases (net amount needed for local match only):				(35,595)	
				(535,595)	
					9,534,068
<u>Supplements Pending with the Mayor & Controller</u>					
Adult Probation supplemental to restore position formerly grant funded:				(43,846)	
Parking and Traffic supplemental to add funding for design services re: SFGH garage:				(285,000)	
Police supplemental to increase funding for OCC:				(116,674)	
Sheriff supplemental to add funding for new jail:				(4,014,035)	
Sheriff supplemental to add funding for City Hall security function:				(127,368)	
Treasurer/Tax Collector supplemental to implement new jobs tax credit provision of business tax ordinance:				(120,847)	
				(4,707,770)	
Ending Balance of General Fund Reserve If All Changes are Approved:					4,826,298



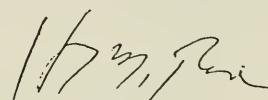
Memo to Budget Committee
November 3, 1993

Item 6- File 127-93-22

Hearing to consider an ordinance amending Part III of the City's Municipal Code, by enacting a new Article 10A to impose a fee on telephone subscribers to finance 911 communication system consolidation and improvements and amending Article 10 to place a portion of the utility users' tax proceeds in the 911 emergency response fund.

Comments

The November 3, 1993 Budget Committee calendar indicates that it is the intention of the Chair of the Budget Committee to entertain a motion to continue this hearing to November 17, 1993.



Harvey M. Rose

cc: Supervisor Migden
Supervisor Hsieh
President Alioto
Supervisor Bierman
Supervisor Conroy
Supervisor Hallinan
Supervisor Kaufman
Supervisor Kennedy
Supervisor Leal
Supervisor Maher
Supervisor Shelley
Clerk of the Board
Chief Administrative Officer
Controller
Teresa Serata
Robert Oakes
Ted Lakey



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CALENDAR - ACTIONS
BUDGET COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

DOCUMENTS DEPT.

NOV 17 1993

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WEDNESDAY, NOVEMBER 10, 1993 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS MIGDEN, HSIEH, ALIOTO

ABSENT: SUPERVISOR HSIEH - ITEMS 9, 10 and 12

CLERK: KAY GULBENGAY

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Budget Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.
 - (a) File 94-91-8.3. [Release of Funds] Requesting release of reserved funds, Public Utilities Commission, in the amount of \$2,050,000, for continuing the implementation of the Trolley Bus Purchase Project. Public Utilities Commission
 - (b) File 101-92-10.3. [Release of Funds] Requesting release of reserved funds, Public Library, in the amount of \$3,448,310, for various costs associated with the new Main Library Construction Project. (Public Library)
 - (c) File 101-92-43.2. [Release of Funds] Requesting release of reserved funds, Public Utilities Commission-Water Department, in the amount of \$153,822, for the Calaveras Pipeline Reconstruction Project. (Public Utilities Commission)
 - (d) File 79-92-3.5. [Release of Funds] Requesting release of reserved funds, Mayor's Office of Community Development, 1993 Community Development Block Grant, in the amount of \$86,359, for the Mayor's Office of Children, Youth and Their Families, for the administration of the Employment Opportunities 1000 Program. (Mayor's Office of Community Development)

ACTION: Continued to call of the chair.

ACTION: Hearing held. Release of 3,044,499 approved. Filed.

ACTION: Continued to November 17, 1993 meeting.

ACTION: Hearing held. Continued to call of the chair.

REGULAR CALENDAR

2. File 127-93-17. [Business and Payroll Expense Tax Amnesty] Ordinance amending Part III of the San Francisco Municipal Code by adding Article 17 thereto to establish a tax penalty amnesty program between December 1, 1993 and January 31, 1994, for delinquent payroll expense and business taxes, amending Article 12-A by adding Section 909.1 thereto to increase and add penalties for delinquent payroll expense taxes of January 1, 1994, and amending Article 12-B by adding Section 1013.1 thereto to increase and add penalties for delinquent business taxes as of January 1, 1994. (Supervisor Kaufman)

(Continued from 10/27/93)

ACTION: Continued to call of the chair.

3. File 166-93-4 [Delinquent Tax Collection Program] Resolution urging the Treasurer to urge the Tax Collector to establish a Delinquent Tax Collection Program to collect unpaid business taxes and fees, to conduct a public awareness campaign to educate businesses regarding the tax obligations contained in San Francisco's Revenue and Finance Business Regulations, and to provide the Board of Supervisors with a report regarding same. (Supervisor Kaufman)

(Continued from 10/27/93)

ACTION: Continued to the call of the chair.

4. File 97-93-59. [Library Revenue Expenditures] Ordinance amending Administrative Code by amending Section 10.117-13 thereof, to enlarge the types of revenues that may be deposited in the fund and enlarging the purposes for which proceeds in the fund may be expended. (Public Library)

(Continued from 11/3/93)

ACTION: Hearing held. Recommended as amended. (See File for details.)

5. File 96-93-3. [Sale of Surplus Property] Ordinance authorizing the conveyance of real property to George N. Wallace and Irene G. Wallace, as joint tenants - \$3,706; and to adopt findings pursuant to Planning Code Section 101.1. (Real Estate Department)

ACTION: Hearing held. Recommended.

6. File 96-93-4. [Sale of Surplus Property] Ordinance authorizing the conveyance of real property to Manuel Llama, Jr. and Jeanne Llama, as joint tenants - \$15,410; and to adopt findings pursuant to Planning Code Section 101.1. (Real Estate Department)

ACTION: Hearing held. Recommended.

7. File 101-93-27. [Government Funding] Ordinance appropriating \$300,000 for Department of Public Works, capital improvements (Telegraph Hill rockfall barrier catchment fence) for fiscal year 1993-94; an emergency measure.

ACTION: Hearing held. Recommended to Board for consideration as Committee Report on Monday, November 15, 1993.

8. File 28-93-5. [Emergency Repair] Resolution authorizing the Director of the Department of Public Works to take necessary measures to protect the safety and property of the citizens of San Francisco by performing the necessary work to mitigate rockfall hazard on Telegraph Hill at Kearny and Chestnut Streets – \$300,000. (Department of Public Works)

ACTION: Hearing held. Recommended to Board for consideration as Committee Report on Monday, November 15, 1993.

9. File 52-93-1. [Underground District] Ordinance amending Ordinance No. 367-92 to redefine Underground District No. 318 in the Dolores Heights District by adding certain property thereto; companion measure to File 52-93-1.1. (Department of Public Works)

10/21/1993 – Recommended and transferred from Housing and Land Use Committee – Fiscal Impact

Present: Supervisors Bierman, Maher, Shelley

ACTION: Hearing held. Recommended.

10. File 52-93-1.1. [Lighting Assessment District] Resolution amending Resolution No. 1020-92 to redefine proposed Assessment District No. 92-2 in the Dolores Heights District by adding certain property thereto; and to designate the Deputy Director of Public Services as engineer for the formation proceedings; companion measure to File 52-93-1. (Department of Public Works)

10/21/1993 – Recommended and transferred from Housing and Land Use Committee – Fiscal Impact

Present: Supervisors Bierman, Maher, Shelley

ACTION: Hearing held. Recommended.

11. File 100-93-15. Hearing to consider the status of the Senior Escort Program. (Supervisor Hsieh)

ACTION: Hearing held. Filed. (Report of recommendations of Budget Committee to be presented to Board on Monday, November 8, 1993.)

12. File 100-93-11.1. Hearing to consider report update of summary of revenues and expenses for fiscal year 1993-94. (Supervisor Migden)

ACTION: Hearing held. Continued to December 8, 1993 meeting.

13. File 173-93-1. [Marina Seawall] Hearing to consider funding the structural repair of the Marina Seawall. (Supervisors Hsieh, Alioto, Conroy, Bierman) (Continued from 10/6/93)

ACTION: Hearing held. Continued to call of the chair.

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

November 8, 1993

TO: Budget Committee**FROM:** Budget Analyst**SUBJECT:** November 10, 1993 Budget Committee MeetingItem 1a - File 94-91-8.3

Note: This item was continued from the August 25, 1993 Budget Committee meeting.

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Request for release of reserved funds for the Trolley Bus Project for outside contracts.

Amount: \$2,050,000

Source of Funds:	Federal Section 9 Operating Assistance	\$7,532,454
	Federal Section 9 Capital Assistance	26,819,276
	Local Match *	6,704,819
	Total	41,056,549

* Local Match resources include: State Transit Capital Improvement funds, State Urban Rail Bond funds, State Clean Air and Transportation Improvement Act Bond funds, State Transit Assistance funds, State Transportation Development Act, Bridge Toll Net Revenues, Gas Tax Revenues, Hetch Hetchy funds, Transit Impact Development Fee Revenues, Gas Tax Revenues, Hetch Hetchy funds, Transit Impact Development Fee Revenues, San Francisco Municipal Railway Improvement Corporation funds, and/or the San Francisco County Sales Tax Revenues.

Memo to Budget Committee
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Description: The Board of Supervisors previously approved a Resolution No. 3-92 (File 94-91-8) authorizing the Public Utilities Commission to apply for, accept, and expend Federal Section 9 Operating Assistance funds in the amount of \$7,532,454, Federal Section 9 Capital Assistance funds in the amount of \$26,819,276, plus \$6,704,819 in required State and/or local match funds, for a total of \$41,056,549 for four Municipal Railway Projects. Of the \$41,056,549, a total of \$33,524,095 was placed on reserve for outside contracts, pending a detailed project budget and contract details. Of the \$33,524,095, \$23,546,095 was specifically reserved for outside contracts and in-house design support for the Trolley Bus Project.

The PUC is now requesting that \$2,050,000 be released from the \$23,546,095 in reserved funds to continue implementation of the Trolley Bus Project.

Comment: At the time of this writing, the PUC has not provided sufficient information of the cost details for this project. Therefore, the proposed release of reserve funds should be continued pending the submission of the project and contractor cost details.

Recommendation: Continue the reserve of funds pending the submission of the project and contractor cost details.

Memo to Budget Committee
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Item 1b - File 101-92-10.3

Department: Public Library

Item: Communication requesting release of reserved funds, Public Library, for various costs associated with the new Main Library Construction Project.

Amount: \$3,448,310

Source of Funds: 1988 Library Improvement Bond Funds
1988 Library Improvement Bond Funds Interest Earnings
Library Foundation of San Francisco Funds

Description: The Board of Supervisors previously approved an ordinance appropriating \$86,213,304 for the construction of a new Main Library to be funded by Library Improvement Bond Funds and donations from the Library Foundation of San Francisco. Of the total appropriation:

- \$3,554,659 was reserved for Department of Public Works (DPW) Construction and Project Management. These funds were reserved because such monies were not required in the prior fiscal year (FY 1992-93), when the supplemental appropriation ordinance was approved in December, 1992. At that time, the contractor, O'Brien-Kreitzberg, had been selected and was identified to the Board of Supervisors. The Public Library is now requesting that \$2,696,987 of the \$3,554,659 on reserve be released. However, only \$2,293,176 will be required for Construction and Project Management. Therefore, the Public Library is reducing its request for released funds for Department of Public Works Construction and Project Management from \$2,696,987 to \$2,293,176, a reduction of \$403,811. Releasing \$2,293,176 would leave \$1,261,483 on reserve (\$3,554,659 less \$2,293,176);
- \$251,700 was reserved for Library Project Management, including funding for a Chief Librarian, a Librarian II, and a Secretary. These positions are responsible for representing the needs of the Library in the construction of the new Main Library and the renovation of various Branch Libraries. These positions have been in place since 1989, and therefore were in place at the time of the December, 1992 supplemental appropriation request. At that time, however, 1988 Library Bond funds had previously been released to support these positions until at least July 1, 1993. These previously released funds have been exhausted (see Comment 3), and the Public

Memo to Budget Committee
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Library is now requesting that \$187,616 of the reserved funds be released to support these positions for CY 1994, leaving a balance of \$64,084 on reserve (\$251,700 less \$187,616);

- \$563,707 was reserved for Specialized Geotechnical and Archaeological Inspection and Testing, pending selection of a contractor and information regarding the hours, rates and MBE/WBE status of the contractors. The Public Library is requesting that this entire \$563,707 be released.

Budgets:

Construction and Project Management

DPW Costs (12 months from July 1, 1993 to June 30, 1994)

Direct Salary Costs

<u>Position</u>	<u>FTE</u>	<u>Cost</u>
Project Manager	.75	\$60,925
Office Engineer	1.00	47,463
Construction Manager	1.00	81,234
Associate Engineer	1.00	55,184
Building Inspector	2.00	119,951
Electrical Inspector	.50	29,988
Plumbing Inspector	<u>1.50</u>	<u>29,988</u>
Subtotal DPW Personnel	7.75	\$424,733

Overhead and Fringe Benefits

(based on 136% of salary, in accordance
with the City's indirect cost plan) 577,636

Total DPW Costs \$1,002,369

City Attorney Costs (768 hours @ \$114.80/hr.) 88,166

Contractor Costs (27 months, from
March, 1993 to November, 1995)

Contractor: O'Brien-Kreitzberg (see Comment 1)

Personnel (see Comment 2)

Project Manager (approx. 1,080 hrs.
@ \$113.11/hr.) \$122,159

Assistant Construction Manager
(approx. 4,444 hrs. @ \$99.85/hr.) 443,707

Estimator (approx. 4,320 hrs. @
\$69.28/hr.) 299,290

Administrative Assistant (approx.
4,320 hrs. @ \$40.04/hr.) 172,973

Clerk Typist (approx. 4,240 hrs.
@ \$38.80/hr.) 164,512

Total Contractor Personnel \$1,202,641

TOTAL CONSTRUCTION AND PROJECT MGMT \$2,293,176

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Library Project Management - Calendar Year 1994

Personnel

3638 Chief Librarian (1.0 FTE)	\$75,949
3632 Librarian (1.0 FTE)	51,847
1406 Clerk (Secretary) (.75 FTE)	<u>18,732</u>
Total Salaries	\$146,528
Fringe Benefits @ 28%	<u>41,088</u>
Total Library Project Management	\$187,616

Specialized Inspection and Testing

Subcontractor Costs

Base Isolator	\$85,000
Consolidated Engineering Lab	160,000
Construction Research Lab	20,528
Geological Resource Consultants (MBE)	50,283
Basin Research	<u>88,000</u>
Subtotal Contractor Costs	\$403,811

DPW Costs

Building Inspectors (2 @ \$79,948)	<u>159,896</u>
Total Specialized Inspection and Testing	<u>563,707</u>
Total Amount Requested to be Released	\$3,044,499

Comments:

1. As noted in our December, 1992 report, O'Brien-Kreitzberg was selected based on a competitive bid. O'Brien-Kreitzberg is not an MBE or a WBE firm. The O'Brien-Kreitzberg subcontractor services, noted in the above budget under "Specialized Inspection and Testing," were included as part of O'Brien-Kreitzberg's proposal.
2. All of the contractor's costs are included in the hourly rates, including salaries, fringe benefits, and overhead. The hourly rates for O'Brien-Kreitzberg personnel are as follows:

Project Manager	\$113.11
Assistant Construction Manager	99.85
Estimator	69.28
Administrative Assistant	40.04
Clerk Typist	38.80

3. The three employees responsible for Library Project Management services currently perform such activities as: (1) reviewing the library design to ensure that its lay-out, furnishings, etc. are appropriate and amenable for library users; (2) acting as a liaison between the contractor, the DPW, the Public Library, etc.; (3) representing the Public Library's interests to the various parties; (4) representing the Public Library's interests in public meetings, and (5) numerous other related responsibilities. As previously noted, these three positions are existing positions, employed since 1989, and have been funded with Library Bond Funds.

Recommendations: Release \$2,293,176 for Construction and Project Management of the originally requested \$3,554,659, leaving \$1,261,483 on reserve; release \$187,616 for Library Project Management as requested, leaving \$64,084 on reserve; release the entire \$563,707 reserved for Specialized Inspection and Testing as requested.

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Item 1c - File 101-93-43.2

Department: Public Utilities Commission (PUC)
Water Department

Item: Communication requesting release of reserved funds, Public Utilities Commission - Water Department, in the amount of \$153,822, for the Calaveras Pipeline Reconstruction Project.

Amount: \$153,822

Source of Funds: 1991 Water Revenue Bond Funds

Description: The Board of Supervisors previously approved an ordinance appropriating \$2,349,390 for the Calaveras Pipeline Reconstruction Project. Of the total appropriation, \$500,000 was reserved for environmental mitigation and revegetation work pending selection of contractors and the hours, rates, and the MBE/WBE status of the contractors.

In May, 1993, the Budget Committee release \$346,178 of the \$500,000 on reserve, leaving a balance of \$153,822. The PUC is now requesting that this balance be released. \$100,000 of these additional funds would support an expansion of the contract with Stacy Witbeck (a contract approved by the Budget Committee in May 1993). The reason this contract must be expanded is that the wet weather from early 1993 has created the necessity for environmental mitigation beyond the scope of the original contract. This work is to be completed along the Calaveras and Alameda Creeks in the East San Francisco Bay. Such additional work would consist of erosion control, revegetation, and other related work.

The following table indicates the type and cost, (including time and materials) of the work to be performed:

Erosion Control	\$84,000
Revegetation (fall and spring)	5,000
Stabilization of spill channel at dam	5,000
Animal accessories (to prevent drowning and erosion)	6,000
Total Additional Environmental Mitigation	\$100,000

The remaining amount on reserve (\$53,822) would support a vegetation maintenance contract.

Comments: 1. As noted in our May, 1993, report, Stacy Witbeck was selected based on a competitive bid, and is not an MBE or WBE firm.

2. The contractor provided a flat rate for each separate aspect of the additional work to be performed, rather than hours and rates, because this is a construction project. (Construction contracts are typically bid as a single, flat rate for a specific project.) As such, the amounts listed above for environmental mitigation represent the maximum allowable costs for the work. According to Mr. Johnson Lim of the PUC, a PUC inspector has been assigned to oversee the contractor, including monitoring the contractor's timesheets and materials, to ensure that project costs are not higher than necessary. If the contractor incurs costs beyond the costs noted above, and the scope of work has not increased, the contractor and not the City would absorb these added costs.
3. The PUC has not yet selected a contractor for the \$53,822 vegetation maintenance contract. Therefore, this amount should continue to be reserved pending information regarding the hours, rates and MBE/WBE status of the contractor.

Recommendation: Release \$100,000 and continue to reserve \$53,822 pending information regarding the hours, rates, and MBE/WBE status of the contractor.

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Item 1d - File 79-92-3.5

Item: Communication requesting release of reserved funds, Mayor's Office of Community Development, 1993 Community Development Block grant, in the amount of \$86,359, for the Mayor's Office of Children, Youth and Their Families, for the administration of the Employment Opportunities 1000 Program.

Department: Mayor's Office of Community Development

Amount: \$86,359

Source of Funds: 1993 Community Development Block Grant

Description: The Board of Supervisors previously approved the budget for the 1993 Community Development Block Grant. When this ordinance was approved, \$86,359 was allocated for the Mayor's Office of Children, Youth and Their Families (MOCYF) Employment Opportunities 1000 Program. This allocation was reserved pending the provision by MOCYF of job descriptions and salaries for any positions associated with the Employment Opportunities 1000 Program and other related cost information.

The Employment Opportunities 1000 is a pilot program designed to foster private sector job creation and placement for unemployed and under employed low- and moderate-income residents. The goal of the program is to obtain 1,000 job pledges over a 12-month period. The project would make job referrals for individuals recommended by community-based organizations, focusing on hard-to-place, at-risk clients. The Employment Opportunities 1000 Program is intended as a pilot program, to be operated by MOCYF for 24 to 36 months, after which it would be contracted out to community based organizations. The Mayor's Office is now requesting that the entire \$86,359 on reserve be released.

Budget: As of the writing of this report, MOCYF was unable to provide the budget details and the job descriptions for the proposed pilot program.

Comment: These funds should continue to be reserved, since MOCYF was unable to provide the budget details and the job description information.

Recommendation: Continue to reserve the \$86,359 requested to be released pending provision by MOCYF of the budget details and the related job descriptions.

Item 2 - File 127-93-17

Note: This item was continued at the October 27, 1993 meeting of the Budget Committee.

Item: Business Tax Amnesty Program

Description:

1. The proposed ordinance would add Article 17 Sections 1700 through 1706 to Part III of the San Francisco Municipal Code, to establish a tax penalty amnesty program for delinquent payroll and gross receipts taxes, and amend Articles 12-A and 12-B in order to increase and add penalties for delinquent payroll and gross receipts taxes as of February 1, 1994.
2. Under the proposed Business Tax Amnesty Program, tax penalties (currently ranging from a \$100 penalty for failure to obtain a business tax certificate to 10% of the amount of underpayment on any business tax return filed to 25% of estimated underpayments for businesses that do not file returns) would be waived. However, the delinquent tax itself, as well as interest on such unpaid taxes computed at the rate of 1% per month, would still be due and payable to the City.
3. The amnesty program would be established for all persons required to obtain a business tax registration certificate under the Municipal Code. For persons who meet eligibility requirements defined in the ordinance, the following amnesty provisions would apply:
 - The Tax Collector shall waive all penalties owed for failure to pay any annual registration fee or file a return.
 - The Tax Collector shall waive all penalties owed for delinquent payroll expense or business (gross receipts) taxes owed under the provisions of the Municipal Code.
 - No proceeding to suspend or revoke a registration certificate shall be initiated.
 - No civil or criminal action shall be brought against the taxpayer, for any tax period for which tax penalty amnesty is requested, based upon the non-reporting or under-reporting of tax liabilities or the non-payment of any taxes owed under the provisions of the Municipal Code.

4. The amnesty program shall apply to annual registration fees, payroll expense tax liabilities and business tax liabilities for tax periods ending on or before December 31, 1992 except that:

- The Tax Collector shall not waive penalties owed as a result of determinations under Administrative review made prior to the commencement of the amnesty application period (December 1, 1993);
- The Tax Collector shall not waive any penalties which are included in any civil tax collection litigation commenced by the Tax Collector prior to commencement of the amnesty application period (December 1, 1993).

5. Any person who is required to obtain a business tax registration certificate under the Municipal Code may file an application for payroll expense or business tax amnesty on or after December 1, 1993 and on or before January 31, 1994. Such persons must:

- File completed tax returns for all periods for which he or she has not previously filed a tax return or files amended tax returns for all periods for which he or she under-reported taxes owed; and
- Pay in full the taxes and interest due.

For any tax liability owed, the Tax Collector or the Board of Review may enter into installment payment agreements. If the Tax Collector finds a deficiency in any return filed under the provisions of the Business Tax Amnesty Program, then penalties shall be imposed only on the difference between the amount shown in the return and the correct amount of tax.

6. The proposed ordinance would also increase and add penalties for delinquencies, beginning on February 1, 1994 (after the amnesty program) in the following amounts:

For Unpaid or underpaid taxes: 20% of unpaid amount
(now 10%)

For unpaid taxes past-due for
over 90 days additional 20% of unpaid amount
(new penalty)

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For failure to file a return or failure to respond to a request for financial information..... \$500
(now \$100)

Non-payment, underpayment, failure to file..... 50% of tax due,
due to fraud or intent to evade (exclusive of penalties)
(now 25%)

All increased penalties will be applied to accounts that become delinquent after the proposed amnesty program. The new penalty for amounts receivable for 90 days or more can, under the current wording of the proposed ordinance, be applied to unpaid delinquencies that exist prior to the amnesty period.

7. The Controller is unable at this time to certify increased tax revenues and related interest payments that may result from this ordinance. While tax collections may increase during the amnesty period, in contrast to prior years experience, much of that revenue may have been collected in any event through the Tax Collector's normal auditing and collection processes. Since penalties would be waived under the amnesty program, there would be an offsetting revenue loss for deficient tax filings that would have been collected by the Tax Collector if the amnesty program were not in effect.

Comments:

1. The Tax Collector states that there are presently approximately 26,000 delinquent accounts that would be potentially eligible for the amnesty program. The Tax Collector recently submitted a \$100,000 supplemental appropriation request to the Mayor's Office as the costs to implement the proposed Business Tax Amnesty Program. This \$100,000 request was reduced to \$75,000 by the Mayor's Office, including \$50,000 for advertising, \$10,000 for materials and supplies, \$3,000 for a high-speed laser printer and other computer processing activities, \$3,000 for telephone and \$9,000 for printing the necessary forms and notices. In addition, the Tax Collector estimates that a team of eight staff, including four auditors and four account clerks would be required to process the amnesty requests over a three-month period, or the equivalent of one FTE auditor and one FTE account clerk.

Since the pending supplemental appropriation ordinance for the amnesty program does not provide funds for additional staff, the Tax Collector reported to the Mayor's Office "We estimate that the cost of absorbing this program will be

approximately \$400,000 in lost revenues, which is what a full-time auditor generates annually."

However, this \$400,000 "revenue loss" represents the maximum impact on current, 1993-94 fiscal year audit collections only. Over the long term, such collections will be deferred, and not lost, since accounts that will not be audited this year will simply be audited in the future. Also, it can be expected that the amnesty program will result in a diminution of the present audit backlog since some delinquent accounts will choose to take advantage of the Business Tax Amnesty opportunity rather than the risk of a future audit. Consequently, it is the estimate of the Budget Analyst that the actual impact will be a deferral of approximately \$300,000, in the long run, as opposed to "lost revenue" which may occur in the present fiscal year.

2. Mr. Harrington reports that he would certify the \$75,000 direct costs for the proposed supplemental appropriation, since these funds should be recovered by the Business Tax Amnesty Program. Although the Controller is unable to certify additional increased revenue due to the Business Tax Amnesty Program, such a program could result in improved compliance and an increase to the business tax base if a substantial number of currently unregistered businesses use the amnesty program to become registered. The potential for an increased number of registered businesses could therefore be viewed as a long term revenue benefit resulting from the amnesty program.

3. A similar Business Tax Amnesty Program was conducted by the City of Los Angeles in 1985. Although Los Angeles' business tax collections were substantially higher for the amnesty period, costs were incurred as a result of waived penalties and diversion of business tax auditor staff time. The net gain resulting from the Los Angeles Amnesty Program, was calculated to be approximately \$13.6 million. After considering non-cash items such as estimated lost revenue due to the waiver of penalties and the diversion of revenue-producing personnel, the estimated revenue achieved amounted to approximately \$4.5 million. The table below details the benefits of the amnesty program as estimated by the City of Los Angeles.

City of Los Angeles Estimates of Business Tax Amnesty Outcome

	<u>Outcome 1</u>	<u>Outcome 2</u>
Total Amnesty Collections	\$12,485,072	\$12,485,072
Total Receivable from Installment Agreements	<u>1,366,594</u>	<u>1,366,594</u>
Total Collections/Receivables	13,851,666	13,851,666
Less: Cash Expenditures (see Note 1 below)	(290,895)	(290,895)
Non-Cash Expenditures (see Note 2 below)	<u>- 0 -</u>	<u>(9,055,259)</u>
Overall Outcome/Result	\$13,560,771	\$4,505,512

Note 1: Amnesty Cost Expenditures

Advertising	\$60,138
Personnel	206,188
Printing	1,389
Mailing Services	17,203
Computer Rental	5,000
Miscellaneous	<u>977</u>
	\$290,895

Note 2: Amnesty Non-Cash Expenditures

Lost Revenue due to Waiver of Penalties	\$6,831,240
Lost Revenue due to Assignment of Income Producing Personnel to the Amnesty Unit:	
Field Personnel Collections	326,354
Audit Personnel Assessments	<u>1,897,665</u>
	\$9,055,259

Due to the fact that the structure of the Los Angeles business tax is significantly different from that of San Francisco, this revenue benefit is not comparable to what may be realized in San Francisco. The Los Angeles program was viewed as a success in that a total of 1,500 previously unregistered businesses were added to the Business Tax base during the amnesty period.

4. The Budget Analyst notes that the body of the proposed legislation was amended to reflect the change of amnesty application dates from November and December, 1993 to December, 1993 through January, 1994 and that the new and

increased penalties to become effective February 1, 1994 instead of January 1, 1994. However, the title of the proposed ordinance has not yet been amended to reflect these changes.

5. At the direction of the Budget Committee, a letter was sent to the Tax Collector concerning delinquent account collection procedures and related matters. The response of the Tax Collector is attached to this report.

6. As reflected in the response, a total of over \$15.3 million of outstanding delinquent taxes were identified as of June 30, 1993. These delinquent taxes include Statements Filed by Businesses without including the owed Payments (\$2,442,906), Annual \$150 Registration Fee Statements sent to Businesses that have not responded (\$8,090,438) and Payments identified through the Department's Audit Deficiency Billings (\$4,813,267). Mr. Richard Sullivan of the Tax Collector's Office notes that these amounts reflect accumulated delinquent taxes from over several years. Although the \$15.3 million reflects the total amount owed to the City, Mr. Sullivan reports that data was not readily available regarding the actual number of cases or businesses that are delinquent. However, Mr. Sullivan notes that the \$15.3 million does not include any unregistered businesses, businesses that have failed to file, businesses against whom the City has begun legal action as a result of delinquent taxes, or businesses that have filed for bankruptcy. As noted in the Tax Collector's response, "the number of unregistered businesses and the taxes they owe is difficult to determine". The businesses that have failed to file are estimated at 17,875, as reflected in the attachment, based on the number of notices mailed to businesses in July, 1993.

7. On October 1, 1993, a joint Request for Proposal (RFP) was issued by the Mayor's Office, Controller's Office and Tax Collector's Office. This RFP is requesting outside contractor services to provide sales and use tax audits. According to Mr. Harrington, there are firms that specialize in these services and these are audit services that the Tax Collector does not currently conduct. In response to concerns of the Budget Committee, this RFP also requests information from the respondents concerning whether they could provide other services, such as collection agency services and identifying delinquent business tax license fees, etc.

Memo to Budget Committee
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Recommendation: Amend the title of the proposed ordinance to reflect the change of dates, as noted in Comment 4 above.

Approval of the proposed ordinance is a policy decision for the Board of Supervisors.

Thad Brown
Tax CollectorRichard A. Sullivan
Deputy Tax Administrator

August 13, 1993

John L. Taylor
Clerk of the Board
City Hall
San Francisco, CA 94102

SUBJECT: FILE NO. 127-93-17

Dear Mr. Taylor:

Pursuant to the above-referenced request, I am providing you with the following responses. The responses correspond to the item numbers contained in your letter.

1. Outstanding Delinquent Taxes and Number of Cases. As of June 30, 1993, total outstanding delinquent taxes amount to \$15,346,612 comprising of the following:

<i>Category</i>	<i>Delinquent Taxes</i>
Statements Filed without Payment	\$2,442,906
Registration Fee Statements	\$8,090,438
Audit Deficiency Billings	\$4,813,267
<hr/>	
TOTAL	\$15,346,612

The Tax Collector's Office prioritizes delinquent tax cases and schedules collection action within the statutory time limitation.

Unregistered Businesses. The number of unregistered businesses and the taxes they owe is difficult to determine. At the present time, we are attempting to work with other regulatory agencies, i.e. Franchise Tax Board, EDD, and others to effectively identify businesses not in compliance with the City's business tax ordinance. In the past, this was a labor intensive activity handled by our Investigation and Audit staff as part of their on-going collection efforts.

Businesses Failing to File. In July 1993, the Business Tax Division mailed 17,875 determination notices to businesses who failed to file. These are businesses who had registered and had previously filed. Approximately 10% of the these businesses respond to our notices and pay. The majority who do not respond are referred to field investigators or follow-up action. In our opinion, the amnesty program, if targeted to this group and the unregistered businesses, would have the impact of purging our files and adding new accounts.

2. Department's Collection Procedures. Within the Tax Collector's Office, several divisions are actively engaged in the collection function. They are the Business Tax Division, Investigation Division, Legal Division and the Bureau of Delinquent Revenue. A summary of their activities is provided below.

The Business Tax Division in coordination with the Controller's ISD, initiates the following:

- Mailing of approx. 58,000 annual registration renewal
- Mailing of approx. 30,000 statements with a balance due
- Mailing of approx. 18,000 determination notices.

In addition, the division conducts approximately 1,000 audits of businesses to ensure compliance, verify accuracy of statements filed, and follow-up of leads.

The Investigation Division functions as a support group to the Business Tax Division by:

- Locating delinquent taxpayers
- Perform filed collections through direct contact with taxpayers
- Serving legal documents and attaching liens
- Filing small claims actions.

The Legal Division is assigned the more complex cases of collection which usually require a thorough knowledge of bankruptcy law and analysis of commercial legal relationships as they typically involve closely held corporations or limited partnerships.

The Bureau of Delinquent Revenue performs the following collection functions:

- Generating automated letters to debtors
- Skip tracing bad addresses
- Filing creditor claims in escrow and bankruptcy
- Small Claims Court representation
- Filing civil suits in Municipal and Superior Courts.

3. Collection by Outside Contractors. It does not appear that collection by outside contractors would be more cost effective than internal collection officers for a number of reasons. One reason is cost. Collection agencies typically charge from 25% to 50% of receivable as their collection fee. Any out of pocket costs are in addition to their fees. In comparison, the Tax Collector's collection costs has historically been lower than outside contractors. In fiscal year 1992-93, the Tax Collector's collection costs averaged only 17.82%.

Another reason it would not be cost effective is that, of the 17,875 determination notices sent to businesses who had failed to file, over 90% may not owe any taxes except the \$150 registration fee and the \$100 penalty. (The determination for each of these businesses is necessarily over \$2,500 due to the small business exemption.) Consequently, it is doubtful if any collection agency would want to service these delinquent accounts.

While the Amnesty Program presents the greatest potential for revenue addition to the City from the unregistered group of businesses, again it is questionable whether an outside collection agency could identify and locate them without knowing which ones are already registered and without the benefit of an audit deficiency or judgement.

Since the Tax Collector's Office, through its divisions, is currently taking active collection efforts on all known delinquent accounts and has the expertise to efficiently and cost-effectively to pursue them, it is doubtful that an outside collection agency would have any cost advantage.

4. Utilization of Additional Positions. The Tax Collector's Office recently lost 16 positions. Most of the positions lost were clerical and accounting staff who handled the billings, renewals, payment posting, delinquent billings, reconciliations, and many other activities associated with collections. As a result of losing so many positions we will have to reassign field investigators, collection officers, and auditors to cover many of our routine clerical and accounting activities. The consequent loss of revenue from their primary activities will impact the City substantially. A month ago, we made a preliminary projection that our delinquent collections for fiscal year 1993-94 will be delayed, and possibly reduced, by a minimum of \$5.6 million, based on these reassignments.

The restored positions will be used to handle some of this work, which will enable the auditors, investigators and collection officers who would have been reassigned to concentrate their efforts on revenue-generating activities. By using the positions in this manner, we can gain back at least some of the projected revenue delay or loss.

Thank you for the opportunity to provide the above information.

Sincerely,



Thad Brown
Tax Collector

cc: Carole Migden, Budget Committee Chair
Tom Hsieh, Supervisor
Angela Alioto, Supervisor
Harvey Rose, Budget Analyst
Mary Callanan, Treasurer
Ed Harrington, Controller

Item 3 - File 166-93-4

Note: This item was continued from the October 27, 1993 Budget Committee meeting.

Department:	Tax Collector
Item:	Resolution urging the City Treasurer to urge the Tax Collector to establish a Delinquent Tax Collection Program to (1) collect unpaid business taxes and fees, (2) conduct a public awareness campaign to educate businesses regarding the tax obligations contained in San Francisco's Municipal Code regarding revenue and finance business regulations and (3) provide the Board of Supervisors with a report regarding same.
Description:	<p>The proposed resolution would urge the City Treasurer to urge the Tax Collector to establish a new Delinquent Tax Collection Program. In accordance with the proposed legislation, this Program would include, but not be limited to (1) participation in the Franchise Tax Board Offset Program; (2) use of current technologies to allow the City to take advantage of other agency data bases; (3) mailing notices to the 15,000 unregistered businesses in the City; and (4) a campaign and outreach program to educate businesses, both small and large, regarding the requirements of the San Francisco tax code.</p> <p>The proposed resolution would also require the Tax Collector to provide the Board of Supervisors with a report on March 1, 1993, as to the status of this new Program that provides details of the Delinquent Tax Collection Program, including the overall collection rate per average dollar of unpaid taxes and fees and an evaluation of the outreach campaign with statistics comparing the number of taxpayers before and after the Program.</p>
Comments:	<p>1. Mr. Richard Sullivan of the Tax Collector's Office notes that there are not 15,000 unregistered businesses in the City, as noted in page 2, line 4 of the proposed legislation, but, rather there are 15,000 businesses which have failed to file Annual Statements regarding their annual business taxes with the Tax Collector's Office. Therefore, the proposed legislation should be amended to reflect this change.</p>

2. Mr. Sullivan also notes that on page 2, line 19, the proposed legislation should reference the Franchise Tax Board's Centralized Debt Collection Program, rather than the Franchise Tax Board's Offset Program. According to Mr. Sullivan, the Franchise Tax Board's Offset Program, which the City already participates in, enables the City of San Francisco, after submitting a list of delinquent business names to the Franchise Tax Board, to receive an offsetting amount of State income tax refunds that may be due to these businesses. However, the Franchise Tax Board's Centralized Debt Collection Program is a new tax collection tool, which was recently approved by the State Legislature. This Centralized Debt Collection Program will enable the State to identify assets or garnish wages of individuals, based on a list of delinquent taxpayers submitted to the State Franchise Tax Board by the City and County of San Francisco. Mr. Sullivan notes that the proposed legislation should be amended to reflect the inclusion of this new Centralized Debt Collection Program, which the City does not yet participate in.

3. Mr. Sullivan also notes that San Francisco does not have a separate Tax Code. Instead, the City's tax provisions are included in the City's Municipal Code. Therefore, page 2, lines 23 and 24 of the proposed legislation should be amended to read "the San Francisco Municipal Code's tax provisions and the requirements therein", rather than "the San Francisco tax code and the requirements therein".

4. The proposed legislation also states that the Tax Collector must provide a report to the Board of Supervisors on March 1, 1993. The date should be amended to March 1, 1994.

5. Mr. Sullivan reports that although the City currently has a Delinquent Tax Collection Program, the proposed Program would be a more encompassing Program than the existing Program. According to Mr. Sullivan, under the existing Program, the Tax Collector's Office handles individual delinquent business taxes on an individual basis. Under the proposed Delinquent Tax Collection Program, a notice would be sent to all delinquent businesses and a widespread advertising campaign would be included. A supplemental appropriation for \$75,000 for the Tax Collector's Office is currently pending before the Board of Supervisors, including \$50,000 for advertising, \$10,000 for materials and supplies, \$3,000 for a high-

Memo to Budget Committee
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speed laser printer and other computer processing activities, \$3,000 for telephone and \$9,000 for printing the necessary forms and notices.

Recommendations: Amend the proposed resolution as follows: (1) Page 2, line 4 to read 15,000 businesses who failed to file their Annual Statements; (2) Page 2, line 19 to read Franchise Tax Board Centralized Debt Collection Program; (3) Page 2, lines 23 and 24 to read the San Francisco Municipal Code tax provisions and the requirements therein; and (4) Page 3, line 1 to read March 1, 1994.

Approval of the proposed resolution is a policy matter for the Board of Supervisors.

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Item 4 - File 97-93-59

Note: This item was continued by the Budget Committee at its meeting of November 3, 1993.

Department: Public Library

Item: The proposed ordinance would amend Article XII, Chapter 10 of the San Francisco Administrative Code by amending Section 10.117-13, to (1) change the name of the Library Special Collections Fund, (2) enable additional types of revenues to be deposited in the Fund and (3) to add additional purposes for which proceeds in the Library Special Collections Fund may be expended.

Description: Section 10.117-13 of the Administrative Code provides for the establishment of the Library Special Collections Fund and outlines the rules and regulations regarding deposits to and expenditures from this Fund. The proposed ordinance would amend Section 10.117-13 as follows:

(1). To change the name of the Fund from the Library Special Collections Fund to the Library Special Collections and Services Fund.

(2). To designate three additional types of revenues that can be deposited to the Fund as follows: (a) proceeds from the provision of information services or publications sold by the Public Library, (b) fines collected on overdue books and proceeds from the reimbursement of lost books and materials, and (c) charges for visitor cards. Currently, only sales of books from the Special Collections Department of the Public Library are deposited to the Fund.

(3). To add two other purposes for which the monies deposited to the Fund can be expended, as follows: (a) expenses incurred in the provision of information services and (b) the purchase, lease and maintenance of equipment and resources necessary for the provision of information services. Presently, the Fund can be expended for the following purposes: (a) expenses incurred in connection with the sale of books from the Special Collections Department, (b) purchase of additional books and related materials for the Special Collections Department of the Public Library, (c) purchase of special equipment and related items for the Special Collections Department of the Public Library deemed necessary to insure proper security and conservation of rare and valuable materials, and (d) Special fellowships awarded to individuals with expertise in any area of the collections

housed in the Special Collections Department of the Public Library.

Comments:

1. Ms. Seema Grover of the Public Library advises that, the Library anticipates that as it increases its mechanization (i.e., acquisition of additional fax machines), it will be able to offer expanded informational services such as the delivery of publications or magazine articles by fax. According to Ms. Grover, the proposed ordinance would permit charges for such "convenience services" to be deposited in the proposed Library Special Collections and Services Fund to be used to pay for the cost to deliver this information and to pay the vendors that supply the publications and articles (i.e., the British Library, the National Library of France and the Library of Congress). Additionally, according to Ms. Grover, the Library would be able to receive and deposit funds work ordered from other City departments for information services rendered by the Library. Ms. Grover notes for example that the Airport has offered to reimburse the Library for staff research it performed on the Airport's exhibits programs.
2. Ms. Grover reports that revenues generated from visitor card charges, proceeds from information services or publications and fines collected on overdue and reimbursements for lost books and materials currently offset the General Fund. As such, the proposed diversion of these funds to the proposed Special Fund would have a direct fiscal impact on the General Fund. The Library reports that for FY 1992-93, \$157,412 in revenues were generated for fines collected on overdue books and reimbursements on lost books and materials and \$175 in revenues were generated for visitor card charges. The Public Library advises that the amount of revenues collected from proceeds from information services or publications is minimal and, as such, the Library does not currently maintain a separate accounting of those revenue items.
3. According to Ms. Grover, since fees paid by Library patrons for lost books currently accrue to the General Fund, if the books are to be replaced, the replacement funds must now come from the Library's annual book budget. Ms. Grover advises that while the cost to purchase books has steadily increased over the last several years, the Library's annual book budget decreased by \$182,000 from \$1,300,000 to \$1,118,000 or 14 percent over the past four fiscal years. According to Ms. Grover, in order for the Library to purchase an adequate number of new books annually and to replace lost books, the revenues currently accruing to the General Fund for fines for overdue books and reimbursements for lost

books are needed by the Library to help offset the steady decreases in the Library's annual book budget. Ms. Grover adds that proceeds from patrons resulting from reimbursements for lost books in particular, for example, should be maintained at the Library so that the Library can replace such lost books without a further diminution of its book budget for new books. Of the \$157,412 collected in revenues for fines on overdue books and reimbursements for lost books and materials in FY 1992-93, approximately \$144,412 or 92 percent represented fines for overdue books and \$13,000 or 8 percent represented reimbursements for lost books.

4. Under the current and proposed legislation, expenditures from the Special Fund are subject only to approval by the Library Commission. Additionally, any unexpended balance remaining in the Special Fund must be carried forward and accumulated in this Special Fund for purposes for which the Fund was established. Ms. Grover advises that the Special Fund currently maintains an average balance of approximately \$7,000.
5. Approval of this proposed ordinance would result in reduced revenues to the General Fund. The Budget Analyst recommends that if the Board of Supervisors decides to approve the proposed ordinance, the legislation should be amended to provide that in addition to the Library Commission, expenditures in excess of \$5,000 from the proposed Special Fund must also be subject to the approval of the Board of Supervisors.

Recommendations:

1. Approval of the proposed ordinance is a policy matter for the Board of Supervisors.
2. If the proposed ordinance is approved, amend the legislation to require that the Board of Supervisors must also approve any expenditures in excess of \$5,000 from the proposed Special Fund.

Items 5 and 6 - File 96-93-3 and 96-93-4

Department: Real Estate
Department of Public Works (DPW)

Item: The proposed ordinance (File 96-93-3) would authorize the conveyance of real property to George N. Wallace and Irene G. Wallace, as joint tenants for the amount of \$3,706; and to adopt findings pursuant to Planning Code Section 101.1.

The proposed ordinance (File 96-93-4) would authorize the conveyance of real property to Manual Llama Jr. and Jeanne Llama, as joint tenants for the amount of \$15,410; and to adopt findings pursuant to Planning Code Section 101.1.

Description: The proposed ordinances would authorize the sale of a portion of surplus City-owned land under the jurisdiction of the DPW. Said land is located between the parcels owned by the above mentioned individuals and the newly constructed 8th Avenue retaining wall. The proposed ordinance (File 96-93-3) would authorize the sale of approximately 341 square feet of surplus DPW land for \$3,706, thereby allowing the subject owner to enjoy a secure backyard that extends to the retaining wall. The proposed ordinance (File 96-93-4) would authorize the sale of approximately 1,518 square feet of surplus DPW land for \$15,410, thereby allowing the subject owner to construct lot line windows, doors and two decks.

Comments:

1. The Director of Public Works and the Director of Property advise that the sale of subject surplus DPW land will not inconvenience the public interest.
2. Mr. Larry Jacobsen of the Real Estate Department explains that the values established for the subject parcels of land were based on an initial price of \$10 per square foot multiplied by the estimated number of square feet per parcel. The property to be sold to George N. Wallace and Irene G. Wallace (File 96-93-3) was estimated to include 370.6 square feet and the property to be sold to Manuel Llama Jr. and Jeanne Llama (File 96-93-4) was estimated to include 1,541 square feet. This resulted in a proposed sale price of \$3,706 (File 96-93-3) and \$15,410 (File 96-93-4). However, the actual square footage was decreased from the estimate after a survey, from 370.6 square feet to 341 square feet resulting in a per square foot sale price of \$10.868 (File 96-93-3) and from 1,541 square feet to 1,518 square feet resulting in a per square foot sale price of \$10.152 (File 96-93-4).

3. The Department of City Planning reports that the proposed sales are in conformity with the Master Plan and consistent with the eight priority policies of Planning Code Section 101.1.
4. According to Mr. Jacobsen, the total proceeds to the City of \$19,116 (\$3,706 plus \$15,410), to be received from the sale of surplus DPW land, would be used to reimburse the Real Estate Department for its sales expenses (\$6,500), with the remaining \$12,616 (\$19,116 minus \$6,500) to be deposited in the DPW's Real Property Trust Fund (used for the acquisition of land and improved property), subject to future appropriation approval by the Board of Supervisors.

Recommendation: Approve the proposed ordinances.

Items 7 and 8 - Files 101-93-27 and 28-93-5

Department: Department of Public Works (DPW)

Items: Item 7, File 101-93-27 - Supplemental Appropriation in the amount of \$300,000 for an emergency capital improvement project for the Department of Public Works for FY 1993-94.

Item 8, File 28-93-5 - Resolution authorizing the Director of Public Works to take necessary measures to protect the safety and property of citizens by performing the necessary work to mitigate a rockfall hazard on Telegraph Hill at Kearny and Chestnut Streets.

Amount: \$300,000

Source of Funds: General Fund - Emergency Reserve Fund. The balance of this Fund as of November 4, 1993 is \$4,498,046.

Description: The DPW reports that an emergency exists due to weathered and fractured rocks and fissures on Telegraph Hill at Kearny and Chestnut Streets that threaten to cause rockslides and rockfalls during the coming rainy season. The DPW advises that the City Attorney's Office has advised the Department that the City would be liable if any damage to life or property were to occur as a result of such rockslides and rockfalls. In order to eliminate this potential hazard and avoid any potential City liability, the DPW is proposing to design and construct a barrier/catchment fence to prevent damage from a rockslide or rockfall. According to the DPW, this project must be completed as soon as possible before significant rainfall occurs.

The details of the DPW's estimated \$300,000 cost for this project, including geotechnical design recommendations, design services and construction is as follows:

Construction	\$239,015
Geotechnical Design	21,000
Design	20,000
Construction Management (DPW)	19,985
Total	\$300,000

Comment: 1. In accordance with Section 6.30 of the Administrative Code, the proposed resolution would authorize the DPW to use expedited bid procedures to acquire the contractors to perform the necessary design work and construction work for this project (Item 8, File 28-93-5).

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2. Ms. Kathy How of the DPW reports that Soil Engineering Construction Inc. has been tentatively selected to perform the necessary design and construction work. Soil Engineering Construction Inc. is neither an MBE or a WBE firm. According to Ms. How, if the proposed legislation is approved, the work on this project would commence immediately. Ms. How anticipates that, if there is significant rainfall during the construction period, the project would be completed within five to six months of the start-up date and if there is minimal rainfall the project would be completed in approximately two months.

Recommendation: Approve the proposed ordinance and the proposed resolution.

Items 9 and 10 - Files 52-93-1 and 52-93-1.1

Note: These items were transferred from the Housing and Land Use Committee, because they were determined to have fiscal impact.

Department: Department of Public Works (DPW)

Items: The proposed ordinance (File 52-93-1) would amend Ordinance No. 367-92 to redefine Underground District No. 318 in the Dolores Heights District by adding certain property thereto.

The proposed resolution (File 52-93-1.1) would amend Resolution No. 1020-92 to redefine proposed Assessment District No. 92-2 in the Dolores Heights District by adding certain property thereto; and to designate the Deputy Director of Public Services as engineer for the formation proceedings.

Description: In December of 1992, the Board of Supervisors adopted ordinance 367-92 (File 52-92-6), thereby creating Underground District No. 318. The existing Underground District No. 318 is located in the Dolores Heights District in an area encompassing portions of Church Street, Cumberland Street, 20th Street, Liberty Street, 21st Street, Rayburn Street and Dorland Street and all of Dolores Terrace. The proposed ordinance (File 52-93-1) would add additional blocks to the existing Underground District No. 318 as follows; Liberty Street between Noe Street and Castro Street, Noe Street between Twenty-First Street and Nineteenth Street, and Nineteenth Street between Noe Street and Church Street.

In December of 1992, the Board of Supervisors also adopted Resolution No. 1020-92 (File 52-92-6.1), to undertake proceedings to form proposed Assessment District No. 92-2, consisting of the same area in the existing Underground District No. 318. The proposed resolution would add the same blocks (see above) to proposed Assessment District No. 92-2 as will be added to Underground District No. 92-2.

According to Mr. Tom Trimbur of the Department of Public Works, utility companies (Pacific Gas and Electric Company (PG&E), Viacom, and Pacific Bell) will provide funds for undergrounding their facilities, while the City is responsible for providing funds for new street lighting which will be owned, operated and maintained by the City. There has been a long standing agreement between the City and PG&E that all street lights being undergrounded in City neighborhoods would belong to the City's Bureau of Light, Heat and Power. According to Mr. Trimbur, for every \$1 the City contributes to

the undergrounding project, the utility companies provide approximately \$9.

Mr. Trimbur advises that residents of the Dolores Heights neighborhood not included under the existing Underground District No. 318 have submitted petitions to DPW requesting inclusion in Underground District No. 318. According to Mr. Trimbur, 60% of the 144 property owners living on the subject blocks, signed petitions for inclusion in Underground District No. 318 and the proposed Assessment District 92-2.

DPW conducted a public hearing in February of this year concerning the proposed addition of the subject blocks to Underground District No. 318. According to DPW, a number of individuals spoke in favor of inclusion, while only one property owner protested on the grounds that inclusion should not go forward during "tough economic times". DPW believes that the underground district would be in the general public interest and recommends approval of the proposed ordinance (File 52-93-1) for purposes of adding the subject blocks to this district. DPW also recommends approval of the proposed resolution (File 52-93-1.1) to undertake proceedings to include the subject blocks to the proposed Assessment District No. 92-2. Under the proposed resolution, DPW's Deputy Director of Public Services would serve as engineer for the formation proceedings. As noted above, 60% of the property owners in Dolores Heights have requested inclusion in an assessment district in order to reimburse the City for the City's portion of the costs of installation of the street lighting. DPW would initially pay for such costs through funds advanced by Hetch Hetchy. Hetch Hetchy would subsequently be reimbursed by special property assessments on the residents of Dolores Heights upon completion of the project.

Mr. Trimbur reports that the Department estimates that it will cost a total of approximately \$220,000 to pay for the City's portion of the costs to install street lights, as follows:

Construction Contract	\$165,000
Contingencies	<u>16,000</u>
 Total Construction Costs	\$181,000
 Project Management	9,000
Design	15,000
Construction	<u>15,000</u>
 Total Estimated Costs	\$220,000

BOARD OF SUPERVISORS
BUDGET ANALYST

The portion of the costs related to the utility companies are borne by those companies.

Mr. Trimbur advises that the undergrounding project, including installation of street lighting, will take approximately 1 1/2 years to complete. The construction contract for the installation of the City's street lights would be competitively bid.

Mr. Trimbur also estimates it will cost each of the 144 property owners in the Underground District portion of Dolores Heights approximately \$1,000 to \$1,500 to hire a private contractor to make necessary alterations to the impacted homes. In addition, Mr. Trimbur estimates that each of the impacted households will need to pay additional \$1,300 to \$1,500 for single dwelling residences and approximately \$5,200 for multi-dwelling residences to reimburse Hetch Hetchy for the City's share of costs estimated at \$220,000 for the street lighting installation. DPW notes that the residences in Dolores Heights are primarily single dwelling units.

Comments:

1. Mr. Trimbur advises that the estimated \$220,000 in Hetch Hetchy funds would be advanced from a capital program entitled Hetch Hetchy's Street Light Facilities Repair and Replacement Program Fund.
2. An engineering report will be prepared which will establish, in part, the actual cost of the City's share of the costs for the installation of the street lighting in the proposed redefined underground district. Once the engineer's report is completed, the report would be submitted to the Board of Supervisors along with a proposed resolution to request authorization for the formation of Assessment District 92-2.
3. If the Board of Supervisors were to approve the proposed ordinance and resolution and it was later determined by the Board of Supervisors, DPW and the Dolores Heights residents, based on the engineering report, that the cost to proceed with the undergrounding project is prohibitively high, the Board of Supervisors, DPW and Dolores Heights residents would need to decide whether or not the project should proceed. Mr. Trimbur reports that, while it is possible that the engineering report could result in the determination that the cost to proceed with the undergrounding project is prohibitively high, DPW is confident that its current cost projection for the project is accurate, based on the Department's prior history of making cost estimates on similar projects.

4. Mr. Trimbur advises that DPW will ensure that the affected residents of the Dolores Heights District will repay Hetch Hetchy upon the conclusion of this project by providing that a lien will be placed on the properties where owners fail to pay their share of the approximately \$220,000 due to Hetch Hetchy. Mr. Trimbur adds that if the actual costs are higher than the currently projected \$220,000, DPW would plan to charge residents proportionately, based on the size of their respective lots.

Recommendation: Approval of the proposed legislation is a policy matter for the Board of Supervisors.

Memo to Budget Committee
November 10, 1993

Item 11 - File 100-93-15

This item is a hearing to consider the status of the Senior Escort Program.

The Board of Supervisors, at its meeting of October 18, 1993, voted to reject the Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can be practically performed for the Commission on the Aging by a private contractor for a lower cost than similar services performed by City and County employees (File 25-93-26). The Controller had determined that contracting for Senior Escort Services would result in estimated savings as follows:

	<u>Lowest Salary Step</u>	<u>Highest Salary Step</u>
<u>City Operated Services Costs</u>		
Salaries	\$1,392,237	\$1,688,801
Fringe Benefits	<u>330,922</u>	<u>375,733</u>
Total	\$1,723,159	\$2,064,534
<u>Contract Services Cost</u>		
Transportation	\$800,000	\$800,000
Project SAFE (in Police Dept. Budget)	<u>300,000</u>	<u>300,000</u>
Total	<u>\$1,100,000</u>	<u>\$1,100,000</u>
Estimated Savings	\$623,159	\$964,534

As of the writing of this report, pursuant to the Mayor's request, the Board of Supervisors is reconsidering the Controller's Proposition J Certification of the Senior Escort Program.

The Mayor's Budget Office has provided the Budget Analyst with an analysis of expenditures, to date, of the Senior Escort Program. As shown in the Attachment, the FY 1993-94 budget for the Senior Escort Program is \$1,344,000, including an allocation of \$300,000 for Project SAFE. Senior Escort Program expenditures through October 31, 1993, were \$691,200. Thus, the remaining budget for FY 1993-94 is approximately \$652,800.

The Attachment also shows that if Senior Escort Program expenditures continue at the same rate for the remainder of the fiscal year (November through June of 1994), total expenditures would be approximately \$2,073,600, resulting in overexpenditures of approximately \$729,600.

Memo to Budget Committee
November 10, 1993

Because of the projected budget shortfall of approximately \$729,600, 25 of the 42 Civil Service employees of the Senior Escort Program were laid off, effective October 31, 1993. According to Captain Jim Molinari of the Police Department, the number of layoffs, by position, is as follows:

<u>Classification</u>	<u>Title</u>	<u>Number</u>
8484	Supervising Crime Prevention Worker	2
8482	Crime Prevention Worker	<u>23</u>
Total		25

Captain Molinari also reports that the remaining personnel in the Senior Escort Program are as follows:

<u>Classification</u>	<u>Title</u>	<u>Number</u>
8488	Director, Crime Prevention Program	1
8486	Asst. Dir., Crime Prevention Program	1
8484	Supervising Crime Prevention Worker	1
8482	Crime Prevention Worker	<u>14</u>
Total		17

Comments

1. The Budget Analyst concurs with the analysis provided by the Mayor's Budget Office, as shown in the Attachment.
2. Captain Molinari reports that the Department is currently assessing the operational impact of the layoffs and will present the Department's plan for continuing senior escort services at the Budget Committee's meeting of November 10, 1993.
3. The Budget Analyst previously reported that the one-time cost of terminating employees of the Senior Escort Program would be approximately \$310,000.

SENT BY:

11- 5-93 :12:48PM ;

MAYOR's OFFICE-

93991064:# 7/ 8

SENIOR ESCORT PROGRAM

Impact of Operations pattern as of October 28, 1993:

Budget for FY 93/94

Clerical Error (to operate during July 1993)	\$ 135,000
Program Budget for one year (Transportation/Escort Contract)	800,000
Administration of Contract (Commission on the Aging)	80,000
Board Created Reserve	29,000

<u>SAFE Contract (Safety Awareness/Walking Patrol; SFPD)</u>	<u>300,000</u>
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Total	<u>\$1,344,000</u>
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Program Expenditure through October 31, 1993	\$ 691,200
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Remaining Available Budget for FY 93/94	652,800
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Fiscal Year 1993/1994 Budget	\$1,344,000
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Projected annual expenditure	\$2,073,600
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Overexpenditure	\$ <u>(729,600)</u>
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If the program were to continue status quo, an additional \$700,000 would be required to operate through June 30, 1994.

Memo to Budget Committee
November 10, 1993

Item 12 - File 100-93-11.1

This item is a hearing to consider a report update of the Mayor's Summary of Revenue and Expense reports and the related Controller's reports for Fiscal Year 1993-94 previously submitted to the Budget Committee of the Board of Supervisors.

Refer to the attached joint report of the Controller and Budget Analyst which consolidates the prior subject reports submitted by the Mayor's Office and the Controller's Office.

As shown in the attached joint report of the Controller and the Budget Analyst, the Board of Supervisors Reserves included in the FY 1993-94 budget total \$18,580,000. The Controller's Reserves included in the FY 1993-94 budget, as approved by the Board of Supervisors, total \$5,578,015. The total of the Board's reserves and the Controller's reserves amount to \$24,158,015. In addition, the current balance of the General Fund Reserve is \$10,069,663.

The attached joint report of the Controller and Budget Analyst identifies \$36,930,558 in additional potential expenditures, including \$35,980,000 identified in the Mayor's previously submitted reports and \$950,558 in other potential items not contained in the Mayor's previously submitted reports.

As reflected in the attached joint report, the General Fund Reserve balance would be reduced to \$5,089,663 if all of the potential expenditure items shown in the Mayor's previously submitted reports are submitted as supplemental appropriations by the Mayor and approved by the Board of Supervisors in fiscal year 1993-94. The General Fund Reserve balance would be further reduced to \$4,339,105 if all of the Other Potential Items Not on the Mayor's List were likewise funded in fiscal year 1993-94.



MEMORANDUM

November 8, 1993

TO: Board of Supervisors' Budget Committee

FROM: Harvey Rose, Board Budget Analyst
Ed Harrington, Controller *Ed Harrington*

SUBJECT: Mid-year 1993-94 Budget Review

At your November 3, 1993 meeting you asked us to consolidate all of the different schedules you have seen over the past several weeks and indicate where substantive changes had been made between earlier and later versions. Attached is that consolidation.

In addition, you had asked for concurrence on the projections. The Controller's Office concurs that, where numbers rely on spending trends, they appear to be substantially reasonable, except that the Fire Department will need more than \$3 million if current trends continue unabated and it is not clear what the total cost of opening the new jail might be. Upon receipt of the actual supplemental appropriation ordinances, the Budget Analyst will perform a detailed analysis of all funding requests.

We will be available at your November 10, 1993 meeting for any questions you might have.

Harvjoin

City and County of San Francisco
1993-94 Mid-Year Budget Discussion
November 10, 1993

	BOARD RESERVES	MAYOR'S SUMMARY				Totals
		Half-Cent Sales Tax	Retirement 1/94	Controller's Reserves	General Fund Reserve	
Funding Available:	\$18,580,000	\$22,000,000	\$9,000,000	\$5,578,015	\$10,069,663	\$46,647,678
Funding Needed:	Notes					
Programs Funded for 6 Months:						
Public Health:						
Mayor/Board restored	1					
Tier 1 & 2	2	\$9,050,988	\$8,000,000	\$7,000,000	\$900,000	\$7,800,000
Children's Fund	3,4	\$1,485,135				\$8,000,000
SSI Resource Center	5,6	\$200,000				
Mission Alcohol Abuse		\$62,793	\$75,000			\$75,000
DMSF CE & I Program	1	\$60,000	\$40,000		\$20,000	\$60,000
Library	4	\$4,000,000				
Muni Maintenance		\$1,986,885		\$2,000,000		\$2,000,000
DPW Street Cleaning	5	\$477,167	\$135,000			\$135,000
Zoo Partnership	1	\$200,000			\$200,000	\$200,000
Full Year Restorations:						
Human Rights Commission		\$155,000				
Rec Centers-Sunday		\$140,000				
Tax Collector Enhancements		\$139,630				
Senior Info & Referral	7	\$100,000				
Senior Escort		\$29,000				
Med Examiner/Toxicologist		\$51,801				
Neighborhood Cultural Centers		\$26,570				
Day Laborer Program		\$20,000				
Labor Agreements:						
Police		\$2,000,000				\$2,000,000
Fire		\$3,000,000				\$3,000,000
Potential Needs/Shortfalls:						
Social Services GA	8					
Sheriff: New Jail	9	\$4,500,000		\$3,178,015	\$2,500,000	\$5,678,015
Salaries	10	\$1,000,000				\$4,500,000
Police: Overtime						\$1,000,000
Add Staffing	11	\$2,000,000				\$2,400,000
District Attorney	18	\$1,000,000				\$2,000,000
Public Health-Forensics	1,17					\$1,000,000
Muni Revenue Shortfall-State	12					\$600,000
St. Mary's Garage tanks	11					\$500,000
911 Project-OES						\$260,000
Tax Collector	13					\$250,000
Total Needs Reported	14	\$18,184,969	\$22,000,000	\$9,000,000	\$5,578,015	\$4,980,000
"Surplus"		\$395,031	\$0	\$0	\$0	\$5,089,663
						\$5,089,663

Other Potential Items Not on Mayor's List:

SSI Resource Program-2nd half	6,15	\$200,000	
DA Family Support local match	18		\$35,595
Parking & Traffic SFGH Garage	16		\$285,000
Adult Prob-restore grant position			\$43,846
Police OCC			\$116,674
Library-Temporary Mission Branch			\$142,075
Sheriff-City Hall Security			\$127,368
Remainder if all items funded		\$195,031	\$1,339,105

City and County of San Francisco
1993-94 Mid-Year Budget Discussion
November 10, 1993

Notes

1. All or a portion of this line has been transferred to show the General Fund Reserve as the source since the original source shown on the Mayor's list was insufficient to fund the entire need.
2. Tier 1 & 2 funds available from the 1/2 cent sales tax extension dropped by \$2 million from the October 13 Mayor's report. The Mayor has indicated this \$2 million should come from new SB 855 funds.
3. The \$114,865 balance of the Board Reserve of \$1,600,000 is only available if programs eligible for Children's Fund monies are found.
4. Not really for only 6 months even though shown that way in Budget. There is no need to double the amount for the second 6 months.
5. Supplemental appropriation already passed by the Board.
6. Second half of year showed \$200,000 on the October 13 Mayor's report.
7. The Mayor has indicated he would not use these funds for Senior Info & Referral, but would propose using for Senior Escort.
8. The need was reduced by \$1 million from the October 13 Mayor's report due to the passage of Proposition V.
9. The Sheriff has submitted a request for \$4,014,035. The Health Department has indicated they might need more for Forensic start-up costs than remains in this item.
10. The Sheriff has submitted a supplemental appropriation request for \$1,416,638.
11. Added since October 13 Mayor's report.
12. Reduced from \$3,700,000 on the October 13 Mayor's report.
13. The Tax Collector has requested \$120,847 for this item relating to new jobs credit program.
14. The City Attorney was listed as needing \$500,000 on the October 13 Mayor's Report. They have been dropped from this report.
15. Suggested by the Budget Committee on November 3.
16. Listed on the October 13 Mayor's report as needed from General Fund. May be eligible for Bond funds.
17. Forensic need was listed at \$750,000 on the October 13 Mayor's report. This item is not related to the opening of the new jail.
18. The Mayor has indicated the \$35,595 local match need could be funded from the \$1 million supplemental if that is approved.

Item 13 File 173-93-1

Note: This item was continued by the Budget Committee at its meeting of October 6, 1993.

1. The proposed item is a hearing to consider funding the structural repair of the Marina Seawall.

2. The Marina Seawall is a man-made seawall which stretches along the City's waterfront from approximately Scott Street to approximately Buchanan Street. The Recreation and Park Department has jurisdiction over this entire seawall. The seawall forms the Marina harbor and serves as a retaining wall along Marina Boulevard. The Department of Public Works (DPW) is currently in the process of working on a project to retrofit a section of this seawall between Scott and Baker Streets along the Marina Boulevard. This retrofit project, which is one of two projects which are currently being performed by DPW in connection with the seawall, is the subject of this hearing. According to Mr. Ronald Cheng, the DPW is implementing recommendations of the "Final Report - Marina District Liquefaction Study Task Force" in regard to this retrofit project. This report, which was prepared by a task force of private consultants and City officials, recommended that this area of the seawall be strengthened, in part, to protect a sewer box along the Marina Boulevard, which is in close proximity to a populated residential area. Mr. Cheng advises that during the 1989 earthquake, the section of the seawall between Scott and Baker Streets sustained cracks to its outer surface which required repair.

3. Attached is a memo from Mr. John E. Cribbs, Director of the DPW, which discusses (1) an original cost estimate of \$300,000 to \$350,000 to strengthen the seawall, (2) a revised estimate of \$1 million to \$1.5 million to finance the retrofit project, (3) the DPW's attempts to identify financing sources for this project, (4) the \$80,000 in Clean Water Sewer Service Charge funds allocated thus far by the DPW to pay for soils testing and design work in connection with this project, and (5) the desire for guidance from the Board of Supervisors regarding the funding for this project (see Attachment I). Also attached is a second memo from Mr. Cribbs, which addresses the status of the Department's efforts to provide additional information requested by the Budget Committee on the availability of State and Federal grant funds to pay for the Marina Seawall project and how the \$2,271,800 earmarked in bond funds for the Marina Green repairs was allocated and/or spent (see Attachment II).

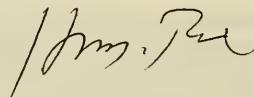
Comment

As noted above, in addition to the retrofit project involving the section of the seawall between Scott and Baker Streets, there is a second project being performed by DPW on a section of the seawall known as the West Wing of the seawall, which is aligned with Baker Street, north of Marina Boulevard. This project is to repair damage sustained by this section of the seawall as a result of the 1989 earthquake. Mr. Tim Liliquist of the RPD reports that \$361,205 in Federal Emergency Management Administration (FEMA) funds have been allocated to the City to pay for this repair work. Mr. John Thomas, Landscape Architect of the DPW advises

Memo Budget Committee
November 10, 1993

that this project, which involves repairing cracks and restructuring this section of the seawall, is in the preliminary design stage and is anticipated to be completed by December of 1995.

Note: According to the Budget Committee calendar, it is the intention of the Chair to entertain a motion to continue this item to the call of the Chair.



Harvey M. Rose

cc: Supervisor Migden
Supervisor Hsieh
President Alioto
Supervisor Bierman
Supervisor Conroy
Supervisor Hallinan
Supervisor Kaufman
Supervisor Kennedy
Supervisor Leal
Supervisor Maher
Supervisor Shelley
Clerk of the Board
Chief Administrative Officer
Controller
Teresa Serata
Robert Oakes
Ted Lakey

Department of Public Works



Office of The Director

John E. Cribbs
Director

August 11, 1993

Marina Boulevard Seawall

THROUGH: *UD*
Mr. Rudy F. Nethenberg
Chief Administrative Officer

Supervisor Carole Migden
Member, Board of Supervisors
Room 235, City Hall

Dear Supervisor Migden:

As we discussed by telephone, the Department of Public Works has been looking at the Marina Seawall to determine what must be done, the cheapest way to do it, and where the funds can be obtained to pay for it.

In the "Conclusions and Recommendations" of the "Final Report - Marina District Liquefaction Study Task Force" the following was stated:

"This seawall should be strengthened by driving new piles on the landward side combined with a new concrete pile cap/buttress. The cost is estimated to be between \$300,000 and \$350,000. Design should start immediately by Department of Public Works staff. Funding would either be by a Boating and Waterways grant or by reconstruction and replacement funds of the Clean Water Program."

We first applied to the State Boating and Waterways Committee for a grant using the nexus that if the seawall moves toward the bay a lot of the docking facilities would be destroyed. We were unsuccessful in obtaining any funds from this source. We then allocated \$80,000 from our Clean Water Sewer Service Charge funds to hire a soils consultant and to do predesign for stabilizing the wall. We used the justification for these funds that if the seawall were to fail, the box sewer along Marina Boulevard would be endangered. We felt we could also justify the relatively modest \$350,000 estimated full cost using the same Sewer Service Charge funds.

Now that we have gotten into predesign, we find that the Task Force estimate may be very low and that the actual cost may be as high as \$1.5 million. We need more soils data to tie this figure down and more study on drainage problems in this area to better estimate this project.

We are also checking to see what outside agencies have jurisdiction over this work. So far, we have determined that BCDC and Army Corps of Engineers both require permits and that the GGNRA requires approval. If the project does turn out to cost between \$1 million and \$1.5 million, we could not justify taking this

Supervisor Carole Migden

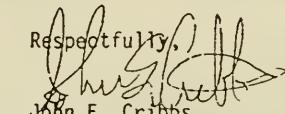
August 11, 1993

Page Two

amount from the ratepayers of the Clean Water Enterprise (Sewer Service Charge) fund and would need guidance from the Board of Supervisors to fund this work.

If you have any questions, please give me a call.

Respectfully,


John E. Cribbs

Director of Public Works

cc: John L. Taylor
Todd Cockburn
Jackson Wong
Peg Devine
Kathy How



Office of The Director

John E. Cribbs
Director

September 29, 1993

Marina Seawall; Your File No. 173-93-1

THROUGH: Mr. Rudolf Nothenberg
Chief Administrative Officer

Supervisor Carole Migden
Chair of the Budget Committee
Board of Supervisors
Room 235, City Hall
San Francisco, CA 94102

Post-It™ brand fax transmittal memo 7671		# of pages
To	Janey Brown - Richardson	From
Co.		To
Dept.	Budget Analyst	Phone #
Fax #	252-0461	Fax #

Dear Supervisor Migden:

At the Budget hearing on September 8, 1993, a hearing was held on the subject seawall. We were requested to do several things prior to rehearing this issue at your October 6th meeting. The first request was to meet with the City Attorney's Office and others to determine if there are available State or Federal grants to do the necessary work on this seawall to make sure that it is structurally sound in case of a future earthquake. We have been unable to determine, as of this date, whether or not there is any Federal or State funding that would be available to us to do this work.

The second request was to give you a report on what the \$2,271,800 allocated in the ESP2 Bond Issue for Marina Green repairs was spent or allocated for. Attached is a chart showing the five projects that were either damaged by the Loma Prieta earthquake or, because of damage, were required by ADA to perform.

As you can see from this chart, some of the projects are completed and some are still in the process. On some projects, we have received all or a large portion of a refund from FEMA. On others, we have very little or no funding approval from FEMA.

We will attend the October 6th hearing and will be pleased to answer any questions at that time.

Respectfully,

John E. Cribbs
Director of Public Works

Attachment: As Noted.

cc: John L. Taylor

MARINA GREEN EARTHQUAKE REPAIR PROJECTS

Job Name and Number	Estimated Budget	Funding in ESP2 Bond	Funding FEMA	Additional ESP2 Funding	Project Status
Marina Pavement Renovation 2279Q	1,776,089	1,245,786	530,303	0	Various paved areas at the Marina were damaged during the earthquake. The work included removing & replacing sidewalks, concrete curbs & gutters, asphalt paving, replacing the drainage system & FEMA for reimbursement of actual costs. All work associated with the drainage system is not eligible for FEMA reimbursement.
Marina Seawall Repair Phase 1 & 2 6092Q	728,281	342,188	386,093	0	(Phase 1) The scope of this project is to repair minor damage to all seawalls, except the west end seawall and the Marina Boulevard seawall. The project was completed January 1993. (Phase 2) The west end seawall adjacent to the Volleyball green requires major reconstruction and is currently in preliminary design. This wall has been designated a historic structure by FEMA and must undergo historic preservation review prior to final design. We are currently awaiting FEMA approval before proceeding with design. We will be requesting supplemental funding from FEMA. Estimated construction completion: Summer 1995
Marina Piers and Dock Repair 6085Q	305,140	0	305,140	0	The piles for mooring boats & yachts were damaged and thrown out of alignment by the earthquake. The project was to replace damaged piles & repair docks. Construction was completed in Oct. 1992.
Marina Disabled Access Ramps 2129E	450,000	450,000	0	0	As part of ADA requirements, we are required to provide two access ramps to the boat docks to serve disabled access. This requirement is triggered by the piling & dock repair. The preliminary design has been completed and is now awaiting comments from Recreation and Park Department. We have received approval for these ramps from FEMA and will be requesting funding for this project. Estimated construction completion: Spring 1995.
Marina West End Restrooms 2126Q	276,900	67,100	41,400	188,400	The west end restroom settled during the earthquake and will need pressure grouting under the foundation to return the building to the original elevation. Other modifications inside the restroom were requested by Recreation and Park Department and were incorporated into the repair package. We have requested supplemental funding from FEMA to repair the restroom. The project was advertised Sept. 8 and bids are due October 10. Estimated construction completion: Summer 1994.
(BOA) Project Management 5255A	90,000	18,174	0	0	--
Reserve from ESP2 Bond		148,552	0	0	Future FEMA funding will be returned to ESP2.
TOTALS	3,626,410	2,271,800	1,262,936	168,400	--

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17/93

CALENDAR

- ACT 215 - - -

BUDGET COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, NOVEMBER 17, 1993 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS MIGDEN, HSIEH, ALIOTO

CLERK: KAY GULBENGAY

1. File 101-92-43.2. [Release of Funds] Requesting release of reserved funds, Public Utilities Commission-Water Department, in the amount of \$153,822, for the Calaveras Pipeline Reconstruction Project. (Public Utilities Commission)
(Continued from 11/10/93)

ACTION: Hearing held. Release of \$100,000 approved. Filed.

2. File 127-93-22. Ordinance amending Part III, Municipal Code, by enacting a new Article 10A to impose a fee on telephone subscribers to finance 911 communication system consolidation and improvements and amending Article 10 to place a portion of utility users' tax proceeds in the 911 emergency response fund. (Supervisor Maher)
(Also see 97-93-58 and 307-93-1.)
(Continued from 11/3/93)

ACTION: Amendment of the whole (as presented by Supervisor Maher) adopted.
Entitled: "Amending Part III of the Municipal Code by enacting a new Article 10A, adding Sections 750 through 772, to impose a fee on telephone subscribers to finance 911 Communication System consolidation and improvements and amending Article 10, Section 720, to place a portion of Utility Users' Tax proceeds in the 911 Emergency Response Fund."

Continued to November 24, 1993 meeting.

3. File 97-93-58 Hearing to consider Ordinance amending Chapter 10 of the San Francisco Administrative Code by adding Section 10.204 thereof to establish a 911 emergency response fund. (Supervisor Maher) (Also see File 127-93-22 and 307-93-1.)

ACTION: Hearing held. Ordinance prepared in and reported out of committee.
Entitled: "Amending Chapter 10 of the San Francisco Administrative Code by adding Section 10.204 thereof to establish a 911 Emergency Response Fund."

Continued to November 24, 1993 meeting. (Supervisor Shelley added as sponsor.)

4. File 307-93-1. Hearing to consider authorizing and directing the Chief Administrative Officer to take all steps necessary to construct and equip a 911 communications facility in consultation with the Mayor's Office of Emergency Services. (Supervisor Maher) (Also see 127-93-22 and 97-93-58.)

ACTION: Hearing held. Resolution prepared in and reported out of committee. **Entitled:** "Authorizing and directing the Chief Administrative Officer to take all steps necessary to construct and equip a 911 communications facility in consultation with the Mayor's Office of Emergency Services and urging the Mayor immediately to take all necessary steps to consolidate dispatch functions under the supervision of the Office of Emergency Services upon completion of the new facility." Continued to November 24, 1993 meeting. (Supervisor Shelley added as co-sponsor.)

5. File 96-93-5. [Sale of Surplus Property] Ordinance authorizing and directing the sale of surplus City-owned property known as Assessor's Block 6203, Lot 2; and to adopt findings pursuant to Planning Code Section 101.1. (Real Estate Department)

ACTION: Hearing held. Recommended.

6. File 101-93-16. [Government Funding] Ordinance appropriating \$140,000, Department of Recreation and Park, for temporary salaries; subject of previous budgetary denial. RO #93077 (Controller)

ACTION: Hearing held. Recommended.

7. File 101-93-17. [Government Funding] Ordinance appropriating \$1,986,885, Municipal Railway, for permanent and temporary salaries, related mandatory fringe benefits, contractual services and facilities maintenance; subject of previous budgetary denial. RO #93082 (Controller)

ACTION: Hearing held. Recommended.

8. File 101-93-18. [Government Funding] Ordinance appropriating \$1,840,160, Municipal Railway, for permanent salaries-platform, and related mandatory fringe benefits; subject of previous budgetary denial. RO #93095 (Controller)

ACTION: Hearing held. Amended (See File For Details).

New Title: "Appropriating \$1,578,144 Municipal Railway, for permanent salaries-platform, and related mandatory fringe benefits; subject of previous budgetary denial; placing \$262,016 on reserve. Recommended as amended.

9. File 101-93-21. [Government Funding] Ordinance appropriating \$315,000, District Attorney, for temporary salaries, mandatory fringe benefits, other non-personal services and materials and supplies. RO #93109 (Controller)

ACTION: Hearing held. Recommended.

10. File 101-93-28. [Appropriation, DPH/Mental Health Substance Abuse] Ordinance appropriating \$122,793, Department of Public Health – Mental Health for Substance Abuse, for permanent salaries, mandatory fringe benefits and medical services contracts, for the creation of three positions; subject of previous budgetary denial; and providing for ratification of actions previously taken. RO #93127. (Department of Public Health)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as sponsor.)

11. File 101-93-29. [Appropriation, DPH/Laguna Honda Hospital] Ordinance appropriating \$9,670,865, Department of Public Health, Laguna Honda Hospital, for salaries, mandatory fringe benefits, other non-personal services, materials and supplies, equipment and services of other departments, for the creation of three hundred fourteen positions and deletion of two positions; subject of previous budgetary denial; and providing for ratification of action previously taken. RO #93121. (Department of Public Health)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as sponsor.)

12. File 101-93-30. [Appropriation, DPH/San Francisco General Hospital] Ordinance appropriating \$5,267,018, Department of Public Health, San Francisco General Hospital, for salaries, mandatory fringe benefits, professional services, materials and supplies and capital improvements for the creation of forty-two positions and the deletion of ten positions and rescinding \$261,642 for salaries and services of other departments; providing for ratification of action previously taken; and subject of previous budgetary denial. RO #93122. (Department of Public Health)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as sponsor.)

13. File 101-93-31. [Appropriation, DPH/Community Mental Health] Ordinance appropriating \$4,134,768, Department of Public Health, Community Mental Health, for salaries, mandatory fringe benefits, professional and other contractual services, materials and supplies, and services of other departments, for the creation of forty positions and the deletion of five positions and rescinding \$89,002 for salaries; subject of previous budgetary denial; and providing for ratification of actions previously taken. RO #93129 (Department of Public Health)

ACTION: Hearing held. Amended on page 1 line 19 by replacing "\$305,012" with "\$283,338"; on page 2 line 5 by replacing "\$574,483" with "\$596,157"; on page 3 line 6 by deleting "2306 L Sr. Psychiatric Orderly 1388B1682 1"; on line 10 by replacing "10" with "9"; on line 24 by inserting "2246 L Asst. Director Clinical Services I 2199B2672 1"; on line 11 by replacing "27" with "28".

Recommended as amended. (Supervisor Alioto added as sponsor.)

14. **File 101-93-32.** [DPH/Department of Community Health Services] Ordinance appropriating \$1,507,840, Department of Public Health, Department of Community Health Services, for salaries, mandatory fringe benefits, other non-personal services, of other departments for the creation of twenty-seven positions and the deletion of nine positions; and rescinding \$41,675 for salaries and mandatory fringe benefits, General fund, and \$51,697 for salaries and fringe benefits, work order fund; providing for ratification of action previously taken; and subject of previous budgetary denial. RO #93130 (Department of Public Health)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as sponsor.)

15. **File 102-93-11.** [DPH, Addition of 426 & Deletion of 26 Positions] Ordinance amending Annual Salary Ordinance, 1993-94, Department of Public Health, reflecting the addition of 426 positions and the deletion of 26 position. (Civil Service Commission)

ACTION: Hearing held. Amended on page 7 line 20 by deleting "1 added 1 2306 L Sr. Psychiatric Orderly SC 1388B1682"; on page 8 line 14 by adding "1 added 1 2246 L Asst. Director Clinical Services Z,SC 2199B2672".

Recommended as amended. (Supervisor Alioto added as sponsor.)

16. **File 79-93-2.** [1994 Community Development Block Grant Funds] Resolution authorizing the Mayor, on behalf of the City and County of San Francisco, to apply for, receive and expend the City's 1994 Community Development Block Grant (CDBG) entitlement from the U.S. Department of Housing and Urban Development, transfer and expend reprogrammed funds from prior year Community Development programs and program income generated by the San Francisco Redevelopment Agency up to \$25,078,244, which include indirect costs of \$80,000; approving expenditure schedules for recipient departments and agencies and for indirect costs, and, determining no environmental evaluation is required, authorizing the receipt and deposit in contingencies of 1994 CDBG entitlement funds in excess of \$25,078,244. (Mayor's Office of Community Development)

ACTION: Hearing held. Amended (See File For Details)

New Title: "Authorizing the Mayor, on behalf of the City and County of San Francisco, to apply for, receive and expend the City's 1994 Community Development Block Grant (CDBG) entitlement from the U.S. Department of Housing and Urban Development, transfer and expend reprogrammed funds from prior year Community Development programs and program income generated by the San Francisco Redevelopment Agency up to \$25,539,971 which include indirect costs of \$90,000; approving expenditure schedules for recipient departments and agencies and for indirect costs, and, determining no environmental evaluation is required, authorizing the receipt and deposit in contingencies of 1994 CDBG entitlement funds in excess of \$25,539,971; placing \$242,708 on reserve."

Recommended as amended.

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CITY AND COUNTY



Public Library, Documents Dept.
Attn: Jane Hudson
OF SAN FRANCISCO

DOCUMENTS F 555

NOV 17 1993

SAN FRANCISCO
PUBLIC LIBRARY

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

November 15, 1993

TO: // Budget Committee

FROM: // Budget Analyst

SUBJECT: November 17, 1993 Budget Committee Meeting

Item 1 - File 101-93-43.2

Note: This item was continued from the November 10, 1993 Budget Committee meeting.

Department: Public Utilities Commission (PUC)
Water Department

Item: Communication requesting release of reserved funds, Public Utilities Commission - Water Department, in the amount of \$153,822, for the Calaveras Pipeline Reconstruction Project.

Amount: \$153,822

Source of Funds: 1991 Water Revenue Bond Funds

Description: The Board of Supervisors previously approved an ordinance appropriating \$2,349,390 for the Calaveras Pipeline Reconstruction Project. Of the total appropriation, \$500,000 was reserved for environmental mitigation and revegetation work pending selection of contractors and the hours, rates, and the MBE/WBE status of the contractors.

In May, 1993, the Budget Committee release \$346,178 of the \$500,000 on reserve, leaving a balance of \$153,822. The PUC is now requesting that this balance be released. \$100,000 of these additional funds would support an expansion of the contract with Stacy Witbeck (a contract approved by the

Budget Committee in May 1993). The reason this contract must be expanded is that the wet weather from early 1993 has created the necessity for environmental mitigation beyond the scope of the original contract. This work is to be completed along the Calaveras and Alameda Creeks in the East San Francisco Bay. Such additional work would consist of erosion control, revegetation, and other related work.

The following table indicates the type and cost, (including time and materials) of the work to be performed:

Erosion Control	\$84,000
Revegetation (fall and spring)	5,000
Stabilization of spill channel at dam	5,000
Animal accessories (to prevent drowning and erosion)	<u>6,000</u>
Total Additional Environmental Mitigation	\$100,000

The remaining amount on reserve (\$53,822) would support a vegetation maintenance contract.

Comments:

1. As noted in our May, 1993, report, Stacy Witbeck was selected based on a competitive bid, and is not an MBE or WBE firm.
2. The contractor provided a flat rate for each separate aspect of the additional work to be performed, rather than hours and rates, because this is a construction project. (Construction contracts are typically bid as a single, flat rate for a specific project.) As such, the amounts listed above for environmental mitigation represent the maximum allowable costs for the work. According to Mr. Johnson Lim of the PUC, a PUC inspector has been assigned to oversee the contractor, including monitoring the contractor's timesheets and materials, to ensure that project costs are not higher than necessary. If the contractor incurs costs beyond the costs noted above, and the scope of work has not increased, the contractor and not the City would absorb these added costs.
3. The PUC has not yet selected a contractor for the \$53,822 vegetation maintenance contract. Therefore, this amount should continue to be reserved pending information regarding the hours, rates and MBE/WBE status of the contractor.

Recommendation: Release \$100,000 and continue to reserve \$53,822 pending information regarding the hours, rates, and MBE/WBE status of the contractor.

BOARD OF SUPERVISORS
BUDGET ANALYST

Items 2, 3 and 4 - Files 127-93-22; 97-93-58; and 307-93-1

Items: The proposed legislation includes the following:

- An ordinance amending Part III of the Municipal Code to enact a new Article 10A to impose a 911 Emergency Response Fee on telephone subscribers to finance 911 communication system consolidation and improvements and amending Article 10 to place a portion of Utility Users' Tax proceeds in a new special fund to be designated as the 911 Emergency Response Fund. (File 127-93-22; referred to in this report as the "fee ordinance")
- An ordinance amending Chapter 10 of the San Francisco Administrative Code by adding Section 10.204 thereof to establish a new special fund to be designated as the 911 Emergency Response Fund. (File 97-93-58)
- A resolution authorizing and directing the Chief Administrative Officer to take all steps necessary to construct and equip a 911 Communications Facility in consultation with the Mayor's Office of Emergency Services.(File 307-93-1)

Description:

1. The proposed fee ordinance would create alternative funding sources in order to finance construction and equipment acquisition for a new 911 Communications System facility. Total project costs are defined by the fee ordinance as an amount not to exceed \$49.0 million. Funding would be from the establishment of a monthly fee of \$0.50 per local telephone access line including cellular phones (the '911 Emergency Response Fee'). This fee would produce approximately \$4.5 million annually in new City revenues.

The proposed new fee is intended to recover all costs related to the benefits the improved 911 Communications System will provide to non-exempt telephone subscribers. The fee would sunset after accumulating 82.1% of proposed project costs. Since some telephone service subscribers, such as residential 'lifeline' customers, will be exempt from the fee, a portion of total project costs would be paid from some source of revenue other than the proposed 911 Emergency Response Fee. Using the fee ordinance's proposed total maximum project cost of \$49.0 million, the portion of total project costs that, by legal definition, can be funded from 911 Emergency Response Fee revenues would be approximately \$40.2 million (an estimated 82.1 percent of the total project cost of \$49.0 million) the amount designated as *eligible*

project costs in the fee ordinance. The proposed monthly \$0.50 911 Emergency Response Fee will sunset in the year 2003 based on the 107 month estimated time period it will take to accumulate the eligible project costs of approximately \$40.2 million.

2. The fee ordinance also provides that the 911 Emergency Response Fee will sunset should the residential Utility Users' Tax be reinstated. Residential customers have been exempt from paying the Utility Users' tax since 1987. A recent court decision, now under appeal by the City, overturned the exemption for residential customers. If the City loses the appeal, a portion of the new Utility Users' Tax revenue (equal to \$6.5 million annually with provisions for future escalation) will be substituted for the 911 Emergency Response Fee.

3. The fee ordinance authorizes the Controller to end fee collections when an amount equal to eligible project costs (approximately \$40.2 million) are realized from the fee. This date could vary, under the proposed fee ordinance, depending on actual future fee revenues collected by the City. Section 756 (d) of the fee ordinance further provides that the Board of Supervisors can extend the period the fee can be collected upon a certification by the Controller that actual fee collections or project costs vary significantly from original estimates.

4. A new 911 Emergency Response Fund would be created by the proposed ordinance in file 97-93-58. If the source of funds for annual contribution to the special fund turns out to be the 911 Emergency Response Fee, such revenues will only be for the purpose of financing 911 communication system improvement eligible project costs. Since the fee will sunset after the total eligible project cost is contributed to the special fund, should the source of funds for the 911 Emergency Response Fund become Utility Users' Tax proceeds, such Utility Users' Tax revenues can be used for ongoing operations and maintenance of the 911 communications facility after improvement project costs have been met. Appropriations from the special fund shall be subject to the budget and fiscal provisions of the Charter.

5. The proposed resolution (File 307-93-1) would authorize and direct the Chief Administrative Officer to take steps necessary to construct and equip the new 911 Communications Center. The Communications Center will consolidate 911 telephone services, communications and dispatch functions now dispersed among the Police

Department, the Fire Department and the Department of Public Health - Paramedic Division.

Background

A number of management audits of the 911 Communications System have been conducted by the City. The Budget Analyst first conducted a management audit of the 911 Communication System in 1987. A subsequent joint management audit by the Controller's Internal Audit Section and the Budget Analyst was performed in 1991. A review of the status of implementing the 1991 report recommendations was conducted by the Budget Analyst and the Controller in 1992.

The latest management audit report, prepared by the Mayor's Office of Emergency Services, was issued in August, 1993. That report on the 911 Communications System concluded that the management information system in the San Francisco 911 Dispatch Center is inadequate to the tasks required. The report recommended that the City obtain new hardware and software, including a stand-alone computer and a 'state of the industry' Computer Aided Dispatch (CAD) system. The report also concluded that the 911 Dispatch Center is not located in a seismically safe facility, and no fully equipped alternative site is available in the event that the primary system is disabled. The report recommended that the City identify a seismically safe alternative site in the event the primary center is disabled.

The Mayor's Office of Emergency Services further concluded, after a followup survey of municipalities with modernized 911 communications systems, that the most efficient and effective systems feature a combined dispatch system for police, fire and emergency medical services.

Proposed Facility and Equipment; Estimated Total Project Costs and Eligible Project Costs:

The proposed project to be financed by this fee would consolidate the current Police Department 911 Dispatch Center with the secondary dispatch centers operated by the Fire Department and the Department of Public Health Paramedic Division. A new fireproof, seismically safe facility is proposed to permit co-location of the three dispatch operations.

New computer hardware and software would be acquired for "stand alone" operation of the Computer Aided Dispatch (CAD) system and the Police Department's Records Management System. The new system would be dedicated to the purpose of supporting consolidated emergency response communications and correct the existing

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difficulties arising from the sharing of the Hall of Justice mainframe computer between the Police Department 911 Dispatch Center and the Court Management System. The new system would also remedy the deficiencies of the Fire Department's current CAD system. Some costs would also be incurred to make immediate needed improvements to the Fire Department's CAD system as an interim solution to their existing system deficiencies.

Further elements of the improvement project include:

- a 911 switch and call directing equipment for the new Dispatch Center;
- radio communication dispatch stations and antennas to relay calls from the CAD system to responding emergency vehicles;
- public safety "hard wire" costs for direct communication to Fire Stations, the fire alarm ("red box") system and the Mayor's Emergency Telephone System;
- "on board" electronics and computer terminals for emergency vehicles.

The total preliminary project specifications and development costs have been developed by an interdepartmental team of representatives from the Police Department, the Fire Department, the Department of Public Health Paramedic Division, and the Mayor's Office of Emergency Services, operating under the direction of the Chief Administrative Officer.

Current provisional estimates of the total project costs, including construction, hardware and software acquisition and installation, and emergency vehicle electronics amount to between \$45.4 million and \$46.1 million including project development and management costs. Financing costs, for such items as debt issuance and annual debt service are not included in this project cost estimate.

Project Costs are defined in the proposed legislation as any costs of:

acquiring land on which to locate a new 911 Communication System facility, acquiring and installing computerized call delivery processing and dispatch equipment and software, and/or any other acquisition or construction necessary to combine 911 communication staff under a single uniform command structure and to house 911 communication system equipment and staff in a new seismically safe

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and fireproof facility, including any debt service payments related thereto.

For purposes of establishing and collecting the Emergency Response Fee, the proposed fee ordinance states that the Board of Supervisors estimates that Project Costs, as defined by the proposed legislation, will equal \$49.0 million. In defining this estimate, the proposed fee ordinance also states that the estimate is not intended to limit the scope of the project that may be financed from other revenue sources.

The proposed legislation defines *Eligible Project Costs* as:

...the portion of project costs reflecting the benefit estimated to be provided by the project to telephone subscribers who are required to pay the fee imposed by the provisions of this Article on access lines subject to the fee. Eligible Project Costs shall not include Exempt Project Costs or any expenditures which are reimbursed in accordance with the California Emergency Telephone Users Surcharge Act or are reimbursed by any other public entity.

The term *Exempt Project Costs* in the above definition means:

...the portion of project costs reflecting the benefits estimated to be provided by the project to telephone subscribers who are exempted from the fee by Section 754 of this Article or are otherwise not required to pay any fee imposed by the provisions of this Article.

Total revenue to be collected from imposition of this fee is reduced due to the effect of exempting certain telephone subscribers. In accordance with the legal definitions in the proposed legislation for *Eligible Project Costs* and *Exempt Project Costs*, the portion of defined Project Cost that can be financed from proceeds collected through establishment of the Emergency Response Fee is approximately 82.1% as estimated in the next section of this report on fee revenues.

Fee Structure and Fee level; Exceptions, Exemptions and Fee Cap The proposed fee ordinance provides for a standard monthly fee for all telephone access lines of \$0.50 (\$6.00 annually). Some exceptions to this fee are provided for in the ordinance as described below.

Rate Adjustment for Trunk Line Services: The number of stations that can be served by a single trunk line (such as a private branch exchange or 'PBX') varies according to the

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needs of the specific customer. However, based on information received from Pacific Telesis and the California Public Utilities Commission, it is reasonable to assume that, on average, trunk lines provide service to five times as many stations as are served by a single access line. Therefore, the proposed fee ordinance determines that it is reasonable to charge a trunk line fee at a rate equal to five times the rate for standard access lines (\$2.50 per month, \$30 annually).

Exemptions: Subscribers to *Lifeline* service and coin-operated telephones would be exempted from the proposed fee in order to ensure that the 911 telephone service is as available as possible to low-income subscribers. In addition, taxpayer supported facilities such as government operations, hospitals, and educational institutions would also be exempt from the proposed fee.

Telephone service suppliers are exempt from the fee since charging suppliers to provide telephone service would merely further increase costs for telephone subscribers.

Fee Cap: The proposed fee ordinance provides that businesses with a large number of telephone access lines would be disproportionately burdened by the fee in relation to the benefits such a business would receive from access to 911 communications services. Therefore, any business with telephone access lines numbering more than 1,667 would be limited to paying no more than \$10,000 annually in total fees.

In order to fairly allocate costs according to benefits received from the proposed 911 communications improvements, the costs associated with benefits to exempt subscribers should not be assumed by fee paying subscribers. Therefore, the proposed fee ordinance determines that the costs associated with exempt subscribers should be recovered from another revenue source.

**Estimated Fee
Revenue; Revenue
Decrease Due To
Exemptions**

The proposed fee level of \$0.50 per month per telephone access line and \$2.50 per month per trunk line, after accounting for the exemptions, results in a net annual estimated revenue of \$4,520,000, based on data provided by Pacific Telesis. Such data include the estimated number of telephone access lines by class of telephone subscriber (residence lines, business lines, cellular phones and pay phones). Pacific Telesis, the local telephone service provider, has provided counts of "line equivalents" which counts each trunk line as five telephone access lines, using their five to one estimate of the ratio of trunk lines to telephone stations.

The table below details the net annual revenue estimate.

Estimated Emergency Response Fee Annual Revenue

Type of Telephone Subscriber	No. of Telephone Access Line Equivalents	Gross Revenue From a \$.50 per month fee	Exempt Line Equivalents	Annual Revenue Reduction Due to Exemptions	Annual Reduction due to Annual Fee Cap	Estimated Revenue after Subtracting Exempt Lines
Residence Lines	380,000	\$2,280,000	78,000	(\$468,000)		\$1,812,000
Business, Cellular	533,500	3,201,000	55,000	(330,000)	(\$163,000)	2,708,000
Pay Phones	4,000	24,000	4,000	(24,000)		0
Total	917,500	\$5,505,000	137,000	(\$822,000)	(\$163,000)	\$4,520,000

Because future growth in the number of telephone access lines and cellular phones is highly uncertain, we have projected no escalation of annual revenues collected from this fee. Therefore, for purposes of this revenue estimate, we have assumed that annual revenues will remain "flat", at approximately \$4.52 million per year, during the estimated 107 month term the proposed fee would be collected (see below).

As shown in the table below, 82.11% (\$4,520,000 divided by \$5,505,000) of potential total fee revenue can be applied to the project due to the definitions of Eligible Project Costs and Exempt Project Costs specified in the proposed fee ordinance. Based on the proposed legislation's stipulated Project Costs of \$49.0 million, \$40,232,516 or 82.11% of that total can be financed by proceeds of the proposed 911 Emergency Response Fee. At the estimated annual net revenue from the fee of \$4.52 million, the term necessary to collect the fee would be approximately 107 months. The proposed legislation provides that conversion costs incurred by telephone service suppliers, estimated by Pacific Telesis

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to amount to a one time cost of approximately \$240,000, are to be deducted from the fees collected.

Revenue Recap	<u>Estimated Net Annual Revenues</u>		<u>Total Revenue Target</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Total Potential Fee Revenue and Project Costs	\$5,505,000	100.00%	\$49,000,000	100.00%
Less Exemptions	<u>985,000</u>	<u>17.89%</u>	<u>8,767,484</u>	<u>17.89%</u>
Net Annual Revenue and Eligible Project Costs	\$4,520,000	82.11%	\$40,232,516	82.11%

The proposed legislation specifies that telephone service suppliers will begin collecting fees on September 1, 1994. Based on the estimated revenues discussed above, the fee would terminate on July 31, 2003 (after approximately 8.9 years). The proposed legislation gives the Controller of the City and County the discretion to amend the period of fee collection in accordance with actual revenues received in order to prevent collection of more revenue than can be applied to this project. Section 756 (d) of the fee ordinance further provides that the Board of Supervisors can extend the period the fee can be collected upon a certification by the Controller that actual fee collections or project costs vary significantly from original estimates.

Comments:

1. The proposed monthly 911 Emergency Response Fee which would generate an estimated \$4.5 million annually is to be used strictly for equipment and capital improvements. Remaining project costs, including all debt service costs, that cannot be supported by the proposed fee revenue (estimated at \$4.5 million annually) therefore must be funded from some other source which has not been identified in the proposed fee ordinance.
2. As previously noted, the proposed fee ordinance also provides that the 911 Emergency Response Fee will sunset should the residential Utility Users' Tax be reinstated. If the Utility Users' Tax is again collected from residential customers, the City will gain an estimated \$21.8 million in annual General Fund revenue. Instead of using the 911 Emergency Response Fee as a revenue source for constructing and equipping the new 911 Communications System facility, the proposed fee ordinance provides that a sum equal to \$6.5 million annually from this source will be deposited in the 911 Emergency Fund to finance the project.

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The \$6.5 million can be used for future operating costs after financing equipment acquisition and capital improvements.

3. This potential annual contribution of Utility User Tax proceeds to the special fund would begin at \$6.5 million annually effective when and if the City loses the appeal on residential Utility Users' Tax exemptions. The annual contribution would be adjusted by the Controller in accordance with the annual percentage increase in aggregate City Salaries. However, total annual proceeds dedicated to the 911 Emergency Fund shall not exceed the annual Utility Users' tax revenue collected based on rates in effect and utility usage taxable prior to May, 1978. This amount is equal to approximately \$34.3 million annually according to computations of the Controller. The Mayor's budget office estimated that total operating and maintenance costs for current Communications Dispatch operations of the Police and Fire Department alone (not including the Department of Public Health's Paramedic Division) is approximately \$13.8 million annually. Therefore, the \$6.5 million may be inadequate to meet future operating expenditures depending on what costs are to be covered from the special fund after completion of the new 911 Communications Center.

4. The CAO's Office is unable to specify a financing plan, which would provide for all of the needed funding for the 911 Communications System Improvement project, until the 911 system improvement project is defined in greater detail. Consequently, future debt service costs cannot be estimated at this time. Such costs will depend on when expenditures will be required for actual construction and equipment acquisition, which will determine when debt financing instruments will need to be sold, and the time period over which such debt will be financed.

Recommendation

Approval of the two proposed ordinances and the proposed resolution are policy matters for the Board of Supervisors.

Item 5 - File 96-93-5

Departments: Real Estate Department
Department of Public Works (DPW)

Item: Ordinance authorizing and directing the sale of surplus City-owned property known as Assessor's Block 6203, Lot 2, and adopting findings pursuant to City Planning Code Section 101.1.

Amount: Minimum bid of \$70,000

Description: The proposed ordinance would authorize the auction of surplus City-owned property, consisting of vacant land, which is currently under the jurisdiction of the DPW. The property contains approximately 2,210 square feet and is located at 400 Campbell Avenue, Visitacion Valley (Assessor's Block 6203, Lot 2). The property is surrounded primarily by single family dwellings. The DPW has declared that the subject land, which has never been used by the City for any specific purpose, is surplus and is not required for municipal purposes.

The Department of City Planning reported by letter dated August 30, 1993 that the sale of Assessor's Block 6203, Lot 2 is in conformity with the Master Plan, exempt from Environmental Review and is consistent with the Eight Priority Policies of Planning Code Section 101.1.

The proposed ordinance would authorize the Real Estate Department to conduct a public auction for the sale of the subject land for potential development of one single family dwelling unit. The award of the sale of this property to the highest bidder and the related amount to be received by the City would be subject to subsequent approval by the Board of Supervisors in separate legislation.

Comment: Mr. Robert Haslam of the Real Estate Department reports that the fair market value of the subject land for the aforementioned use is at least \$70,000 which will be the required minimum bid.

Recommendation: Approve the proposed ordinance.

Item 6 File 101-93-16

Note: This item was continued by the Budget Committee at its meeting of October 20, 1993

Department: Recreation and Park Department (RPD)

Item: Supplemental Appropriation in the amount of \$140,000 for temporary salaries for the Recreation and Park Department. This request is the subject of previous budgetary denial.

Amount: \$140,000

Source of Funds: General Fund Recreation Centers - Sunday Programs Reserve established in the 1993-94 budget by the Board of Supervisors.

Description: In order to meet the budget reductions required by the Mayor's Office, the RPD's FY 1993-94 budget included a reduction of \$210,000, resulting in the closure of 32 Recreation Centers on Sundays and 18 Recreation Centers on holidays. Subsequently, during the budget review, the Board of Supervisors established a General Fund Reserve in the amount of \$140,000 for purposes of allowing the Recreation Centers to reopen on Sundays and holidays. Mr. Phil Arnold, Assistant General Manager of the RPD advises that the \$140,000 would be sufficient to reopen all 32 Recreation Centers on Sundays and 18 recreation centers on holidays for the period retroactive to August 1, 1993 to June 30,1994, providing that the staffing level and hours of operation are reduced as outlined in the Attachment.

Mr. Arnold advises that no new permanent positions would be required to staff the Recreation Centers for the proposed part-time periods on Sundays and holidays. Instead the proposed funds would pay for temporary positions who would be assigned to cover the Recreation Centers. The \$140,000 budget for the reopening of the Recreation Centers on Sundays and holidays, is detailed below:

<u>Recreation Centers</u>			
Boeddeker Park	3280 Assistant Recreation Director (6 hrs x 48 wks x \$12.5375)	\$3,610.80	
	3280 Assistant Recreation Director (6 hrs x 48 wks x \$12.5375)	3,610.80	
Children's Playground	3280 Assistant Recreation Director (7 hrs x 48 wks x 12.5375)	4,212.60	
Chinese Playground	3280 Assistant Recreation Director (5 hrs x 48 wks x 12.5375)	3,009.00	
Chinese Rec. Center	3280 Assistant Recreation Director (5 hrs x 48 wks x 15.1750)	3,642.00	

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Crocker Amazon Park	3280 Assistant Recreation Director (6 hrs x 48 wks x 12.5375) 3284 Recreation Director (5 hrs x 48 wks x 14.00)	3,610.80 3,360.00
Douglas Playground	3280 Assistant Recreation Director (5 hrs x 48 wks x 12.5375)	3,009.00
Eureka Valley Rec. Center	3284 Recreation Director (5 hrs x 48 wks x 14.00)	3,360.00
Glen Park Rec Center	3280 Assistant Recreation Director (6 hrs x 48 wks x 12.5375)	3,610.80
G.G. Senior Center	3280 Assistant Recreation Director (6 hrs 48 wks x 14.00)	4,032.00
G.G. Tennis Courts	3284 Recreation Director (7 hrs 48 wks x 14.00)	4,704.00
Hamilton Teen Center	3280 Assistant Recreation Director (6 hrs x 48 wks x 15.1750)	4,370.40
Helen Wills Playground	3280 Assistant Recreation Director (5 hrs x 48 wks x 12.5375)	3,009.00
Hunter's Point Gym	3280 Assistant Recreation Director (5 hrs x 48 wks x 12.5375)	3,009.00
Jackson Playground	3280 Assistant Recreation Director (6 hrs x 48 wks x 12.5375)	3,610.80
Joseph Lee Rec. Center	3284 Recreation Director (5 hrs x 48 wks x 14.00) 3280 Assistant Recreation Director (5 hrs x 48 wks x 12.5375)	3,360.00 3,009.00
Julius Kahn Playground	3280 Assistant Recreation Director (5 hrs x 48 wks x 12.5375)	3,009.00
Kezar Stadium	3280 Assistant Recreation Director (8 hrs x 48 wks x 12.5375) 3280 Assistant Recreation Director (8 hrs x 48 wks x 12.5375)	4,814.40 4,814.40
Mission Dolores	3284 Recreation Director (5 hrs x 48 wks x 14.00)	3,360.00
Mission Playground	3280 Assistant Recreation Director (5 hrs x 48 wks x 12.5375)	3,009.00
Mission Rec. Center	3280 Assistant Recreation Director (6 hrs x 48 wks x 12.5375)	3,610.80
Moscone Rec. Center	3280 Assistant Recreation Director (6 hrs x 48 wks x 12.5375)	3,610.80
North Beach Playground	3280 Assistant Recreation Director (5 hrs x 48 wks x 12.5375)	3,009.00
Ocean View Rec. Center	3280 Assistant Recreation Director (5 hrs x 48 wks x 12.5375)	3,009.00
Portola Rec. Center	3280 Assistant Recreation Director (5 hrs x 48 wks x 12.5375)	3,009.00
Potrero Hill Rec. Center	3280 Assistant Recreation Director (5 hrs x 48 wks x 12.5375)	3,009.00
Rolph Park	3280 Assistant Recreation Director (6 hrs x 48 wks x 12.5375)	3,610.80
Sigmund Stern Grove	3280 Assistant Recreation Director (7 hrs x 48 wks x 12.5375) 3280 Assistant Recreation Director (7 hrs x 48 wks x 12.5375)	4,212.60 4,212.60

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Sunset Rec. Center	3280 Assistant Recreation Director (5 hrs x 48 wks x 12.5375)	3,009.00
Soma Rec. Center	3280 Assistant Recreation Director (5 hrs x 48 wks x 12.5375)	3,009.00
St. Mary's Rec. Center	3280 Assistant Recreation Director (5 hrs x 48 wks x 12.5375)	3,009.00
Upper Noe Rec. Center	3284 Recreation Director (5 hrs x 48 wks x 14.00)	3,360.00
West Sunset Playground	3284 Recreation Director (6 hrs x 48 wks x 14.00)	<u>4,032.00</u>
	Subtotal	\$130,859.40
	Fringe Benefits 24%	<u>31,406.26</u>
	Total	\$162,265.66

Comments:

1. As noted above, the RPD's estimated budget to keep the Recreation Centers open on Sundays and holidays for the period August 1, 1993 to June 30, 1994 is \$162,266 or \$22,266 more than the \$140,000 supplemental request. Ms. Nan Neal of the RPD advises that unless the RPD can identify surplus funds in the Department's budget prior to the end of the fiscal year, the RPD will have to reduce the number of staff hours worked at the Recreation Centers, under an as yet undetermined plan, in order to remain within the \$140,000 supplemental appropriation amount.
2. As noted above, the Recreation Centers reopened effective August 1, 1993. The RPD has used existing budgeted monies in the RPD's 1993-94 budget to pay for the necessary staffing costs. The proposed \$140,000 supplemental appropriation amount would be used, in part, to reimburse the Department for these expenditures.

Recommendation: Approval the proposed ordinance is a policy matter for the Board of Supervisors.

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City and County of San Francisco

Recreation and Park Department

1993-94 BUDGET RECOMMENDATIONS
SUNDAY AND HOLIDAY RECREATION FACILITIES OPEN

	Staff	Level	Class	Hours	Schedule
<u>HAMILTON TEEN CENTER*</u>	1	3280	6	11:00 a.m. - 5:00 p.m.	
<u>HOLIDAY</u>	1	3280	5	12:00 a.m. - 5:00 p.m.	
<u>SOUTH OF MARKET REC*</u>	1	3280	5	12:00 p.m. - 5:00 p.m.	
<u>HOLIDAY</u>	1	3280	5	12:00 p.m. - 5:00 p.m.	
<u>MISSION REC. CENTER*</u>	1	3280	6	11:00 a.m. - 5:00 p.m.	
<u>HOLIDAY</u>	1	3280	6	11:00 a.m. - 5:00 p.m.	
<u>CHINESE REC. CENTER*</u>	1	3284	6	11:00 a.m. - 5:00 p.m.	
<u>HOLIDAY</u>	1	3284	5	12:00 a.m. - 5:00 p.m.	
<u>CHILDREN'S PLAYGROUND*</u>	1	3280	7	10:00 a.m. - 5:00 p.m.	
<u>HOLIDAY</u>	1	3280	7	10:00 a.m. - 5:00 p.m.	
<u>BOEDDEKER*</u>	2	3280	6 - 1 Shift	11:00 a.m. - 5:00 p.m.	
<u>HOLIDAY</u>	2	3280	6 - 1 Shift	11:00 a.m. - 5:00 p.m.	
<u>SUNSET REC. CENTER*</u>	1	3280	6	11:00 a.m. - 5:00 p.m.	
<u>HOLIDAY</u>	1	3280	5	12:00 p.m. - 5:00 p.m.	
<u>MISSION PLAYGROUND</u>	1	3284	5	12:00 p.m. - 5:00 p.m.	
<u>DOUGLASS PLAYGROUND</u>	1	3280	5	12:00 p.m. - 5:00 p.m.	
<u>CHINESE PLAYGROUND</u>	1	3284	5	12:00 a.m. - 5:00 p.m.	
<u>MISSION DOLORES</u>	1	3284	5	12:00 p.m. - 5:00 p.m.	
<u>JOSEPH LEE*</u>	2	3280/3284	5 - 1 Shift	12:00 p.m. - 5:00 p.m.	
<u>HOLIDAY</u>	1	3284	5	12:00 p.m. - 5:00 p.m.	
<u>OCEAN VIEW*</u>	1	3284	5	12:00 p.m. - 5:00 p.m.	
<u>HOLIDAY</u>	1	3284	5	12:00 p.m. - 5:00 p.m.	
<u>MOSCONE*</u>	1	3280	6	11:00 a.m. - 5:00 p.m.	
<u>HOLIDAY</u>	1	3280	5	12:00 p.m. - 5:00 p.m.	
<u>ST. MARY'S*</u>	1	3280	5	12:00 p.m. - 5:00 p.m.	
<u>HOLIDAY</u>	1	3280	5	12:00 p.m. - 5:00 p.m.	
<u>POTRERO HILL*</u>	1	3280	5	12:00 a.m. - 5:00 p.m.	
<u>HOLIDAY</u>	1	3280	5	12:00 a.m. - 5:00 p.m.	
<u>EUREKA VALLEY</u>	1	3284	5	12:00 a.m. - 5:00 p.m.	
<u>GLEN PARK*</u>	1	3280	6	11:00 a.m. - 5:00 p.m.	
<u>HOLIDAY</u>	1	3280	5	12:00 a.m. - 5:00 p.m.	
<u>UPPER NOE</u>	1	3284	5	12:00 p.m. - 5:00 p.m.	
<u>PORTOLA*</u>	1	3280	5	12:00 p.m. - 5:00 p.m.	
<u>HOLIDAY</u>	1	3280	5	12:00 p.m. - 5:00 p.m.	
<u>SIGMUND STERN GROVE*</u>	1/shift	3280	14- 2 Shifts	10:00 a.m. - 12:00 a.m.	
<u>HOLIDAY</u>	1	3280	7	10:00 a.m. - 5:00 p.m.	
<u>G. G. TENNIS COURT*</u>	1	3284	7	10:00 a.m. - 5:00 p.m.	
<u>HOLIDAY</u>	1	3284	8	9:00 a.m. - 5:00 p.m.	
<u>KEZAR STADIUM*</u>	1/shift	3280	16- 2 Shifts	8:30 A.M. - 9:30 a.m.	
<u>G. G. SENIOR CENTER*</u>	1	3284	6	10:00 a.m. - 4:00 p.m.	
<u>HOLIDAY</u>	1	3284	5	12:00 p.m. - 5:00 p.m.	
<u> JULIUS KAHN</u>	1	3280	5	12:00 p.m. - 5:00 p.m.	
<u>WEST SUNSET*</u>	1	3280	6 -1hr lunch	10:00 a.m. - 5:00 p.m.	
<u>HOLIDAY</u>	1	3280	5	12:00 p.m. - 5:00 p.m.	
<u>NORTH BEACH</u>	1	3280	5	12:00 p.m. - 5:00 p.m.	
<u>CROCKER AMAZON</u>	1	3280	6 -1hr lunch	10:00 a.m. - 5:00 p.m.	
<u>(TWO PATTERNS)</u>	1	3280	5	12:00 p.m. - 5:00 p.m.	
<u>HUNTERS POINT</u>	1	3280	5	12:00 p.m. - 5:00 p.m.	
<u>ROLPH</u>	1	3280	6	11:00 a.m. - 5:00 p.m.	
<u>JACKSON</u>	1	3280	6	11:00 a.m. - 5:00 p.m.	
<u>HELEN WILLS</u>	1	3280	5	12:00 p.m. - 5:00 p.m.	

* OPEN ON HOLIDAYS

Item 7 - File 101-93-17

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Supplemental Appropriation for the Municipal Railway (MUNI) for permanent and temporary salaries, mandatory fringe benefits, outside auto maintenance, other equipment maintenance, tire rental and miscellaneous facilities maintenance. This request is the subject of previous budgetary denial.

Amount: \$1,986,885

Source of Funds: General Fund, Municipal Railway Maintenance Reserve

Description: The FY 1993-94 budget included a Municipal Railway Maintenance Reserve established by the Board of Supervisors in the amount of \$2,050,000 for Municipal Railway maintenance activities for a six month period. Of the \$2,050,000 amount, PUC is currently requesting that \$1,986,885 be appropriated for permanent and temporary salaries and other related costs as follows:

Permanent Salaries - Miscellaneous	\$1,085,000
Temporary Salaries	260,000
Mandatory Fringe Benefits	201,885
Outside Auto Maintenance	240,000
Other Equipment Maintenance	50,000
Tire Rental	50,000
Miscellaneous Facilities Maintenance	<u>100,000</u>
Total	\$1,986,885

Permanent Salaries Miscellaneous (\$1,085,000) The FY 1993-94 MUNI budget assumed an 8.5 percent salary savings rate which is 3.5 percent higher than the FY 1992-93 rate of five percent. PUC advises that with an 8.5 percent savings rate, MUNI would be forced to leave vacant a total of 65 positions of its total of 1,102 positions in the Maintenance Division, and, therefore, would be unable to provide sufficient maintenance for the MUNI fleet that would maintain the level of MUNI service currently scheduled. The proposed \$1,085,000, as requested above, is intended to reduce MUNI's overall level of salary savings to just over 5 percent for a six month period. This would enable MUNI to fill 32 out of 65 vacant maintenance positions as follows:

No	Class	Title	Six Months Salary
1	A832	Operating Equipment Supervisor,	\$28,962
1	1819	Management Information Specialist III	30,248
1	1929	Parts Storekeeper	17,435
1	1931	Senior Parts Storekeeper	18,923
2	2708	Custodian	30,354
1	7130	General Superintendent, Facilities Maintenance	41,199
1	7235	Transit Power Line Supervisor I	32,765
1	7255	Power House Electrician Supervisor I	32,460
1	7251	Track Maintenance Worker Supervisor I	25,828
2	7318	Electronic Maintenance Technician	65,376
2	7325	General Utility Mechanic	46,255
2	7329	Electronic Maintenance Tech Assistant Supervisor	77,738
1	7338	Electrical Line Worker	28,007
1	7345	Electrician	27,862
1	7364	Power House Operator	21,593
1	7379	Electrical Transit Mechanic	23,843
1	7381	Automotive Mechanic	23,621
2	7382	Automotive Mechanic Assistant Supervisor	65,434
1	7410	Automotive Service Worker	17,971
1	7412	Automotive Service Worker, Assistant Supervisor	18,785
6	7430	Assistant Electronic Maintenance Technician	167,952
1	7540	Track Maintenance Worker	<u>19,032</u>
32		Subtotal	\$861,643

Additional Funds needed to reduce Salary Savings to 5 percent during six month period and prevent layoff of existing employees in filled positions

223,357

Total Salaries \$1,085,000

It is estimated that these funds will be needed to hire the 32 positions by January 1, 1994. Therefore the PUC is requesting funding for six months from 1/1/94 through 6/30/94.

Temporary Salaries (\$260,000) The \$260,000 in temporary salaries would be used to hire (1) five temporary mechanic positions over a six month period for diesel-related repairs which are needed on a temporary basis to upgrade diesel service (\$100,000) and (2) to hire 12 car cleaners and two supervisors over a six month period to reestablish the MUNI's Vehicle Cleaning program (\$160,000). MUNI advises that it is more effective to employ such workers than to contract similar work, because the use of City employees offer more flexibility to supplement their existing resources based on prior Departmental experience.

Mandatory Fringe Benefits (\$201,885) Based on a 9.08 percent rate for City Retirement, 7.65 percent for Social Security and Social Security Medicare, \$163.27 per month per employee for the Health Service City Match, \$50.44 per month per employee for Dental Benefit and one-tenth of one percent of total salaries for unemployment insurance, the proposed budgeted amount is reasonable.

Outside Auto Maintenance (\$240,000) These funds include \$160,000 in purchase orders for miscellaneous diesel work, \$30,000 for trolley coach traction motor armatures, and \$50,000 for a maintenance contract with the Bay Area Rapid Transit (BART) District.

- The \$160,000 in purchase orders for miscellaneous diesel work includes: \$78,000 to repair wheelchair lifts, which were damaged by a street construction project at Polk and Bush Streets and is above and beyond the capabilities and/or staffing level of the Diesel Division to correct; \$42,000 to repair a rear axle housing problem that is an on-going problem with the existing Flyer electric trolley coaches and requires an outside vendor to perform special welding work to the existing swing axle housing component; and \$40,000 for the repair of two diesel coaches with special mechanical problems beyond the capabilities of the existing MUNI maintenance staff.
- The \$30,000 would overhaul 10 trolley coach traction motor armatures at \$3,000 per vehicle. These overhauls will be required based on the failure rate of coaches remaining in service after the arrivals of the new articulated trolley coaches.
- The \$50,000 with the Bay Area Rapid Transit (BART) District provides janitorial services to those portions of the BART Stations shared by the Municipal Railway.

Other Equipment Maintenance (\$50,000) These funds would restore full funding to the San Francisco Conservation Corps (SFCC), a non-profit organization which hires area youths, to expand their current work cleaning graffiti from the outside of existing MUNI vehicles. The \$50,000 would pay for approximately 2,800 additional hours at approximately \$17.85 per hour for the SFCC services.

Tire Rental (\$50,000) A total of \$50,000 would acquire additional tires for the MUNI motor fleet. MUNI contracts with a tire company to provide tires and tire servicing under a lease agreement.¹ Under this agreement, the company passes through material and labor increases. The \$50,000 increase is to provide a 2.89 percent inflationary cost adjustment to an existing tire lease agreement of \$1,732,319 to fund anticipated cost increases during FY 1993-94.

Miscellaneous Facilities Maintenance (\$100,000) Anticipated work to be performed over a six month period, originally budgeted at \$200,000 for the entire FY 1993-94, by various bureaus of the Department of Public Works (DPW), as follows:

- Bureau of Building Repair (\$65,000) including \$18,000 to inspect, overhaul and repair boilers at the Woods Facility, \$35,000 to install washer parts at the Woods Facility, \$5,000 to repair uneven sidewalks at various MUNI locations, \$3,000 to repair and install handrails at the Forest Hill Station and \$4,000 to test back flow preventers at various MUNI locations;
- Bureau of Street Cleaning and Urban Forestry (\$15,000) including \$5,000 for tree topping service along MUNI's rights-of-way and \$10,000 for vector truck² services and cleaning of spills; and
- Bureau of Street Repair (\$20,000) including the purchase of asphalt and the cost of labor to complete track repair work throughout the current fiscal year.

Comments:

1. Ms. Kathleen Kelly of the PUC Finance Bureau advises that three of the 32 listed positions are actually in the Administration Division, including one Management Information Specialist III, one Parts Storekeeper and one Senior Parts Storekeeper which have direct support responsibilities to the maintenance and repair activities of MUNI's Maintenance Division.

¹ According to Mr. Wayne Gerstenberger, MUNI rents tires for its vehicles because the large tire companies (including Goodyear and Firestone) do not sell tires of this size. There are some smaller tire companies that do sell tires of this size. However, MUNI could not obtain the quantity of such tires needed from these smaller companies, and therefore, has chosen to work with the larger companies under a lease agreement.

² A vector truck has specialized equipment on-board to clean up hazardous materials spills caused by MUNI equipment. This includes diesel fuel or transmission fluid spills caused by equipment failures or accidents.

2. If the proposed supplemental is approved, it is anticipated that the process of filling vacant positions in the MUNI's Maintenance Division would begin during December 1993 and the new hires would begin work in January 1994. Under these circumstances, the appropriated funds would pay for the new hires through the end of the current fiscal year.
3. Ms. Kelly also advises that an additional \$2,000,000 expected to be needed by the MUNI Maintenance Division for a second six month period during FY 1993-94, will not be fully needed, since the new hires supported by this supplemental appropriation would only be needed for six months rather than an earlier estimated 12 month period. Ms. Kelly further advises that, instead of the original \$2,000,000 estimated for the second six months, the PUC Finance Bureau currently estimates that approximately \$750,000 would be needed to fulfill a reduction of 3.5 percent in salary savings from the current 8.5 percent salary savings level to a five percent salary savings level. The five percent salary savings level is what PUC currently believes will be needed to allow the existing level of MUNI services to be maintained.
4. However, Ms. Kelly states that an additional month will be needed (1) to review the accuracy of the current PUC Finance Bureau's \$750,000 estimate of additional funding needs for the MUNI Maintenance Division and (2) to prepare a second supplemental appropriation request. Until that supplemental appropriation request is submitted, Ms. Kelly requests that the \$2,000,000 remain as a set aside for the additional MUNI funding needs.
5. Mr. John Madden of the Controller's Office concurs with the PUC Finance Bureau request to retain the \$2,000,000 set aside for MUNI Maintenance Division needs until a second supplemental appropriation request is submitted next month to the Board of Supervisors.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

Item 8 - File 101-93-18

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Supplemental Appropriation for the Municipal Railway (MUNI) for permanent salaries-platform and related mandatory fringe benefits. This request is the subject of previous budgetary denial.

Amount: \$1,840,160

Source of Funds:	General Fund Salary Standardization Reserve	\$1,815,944
	General Fund General Reserve	<u>24,216</u>
	Total	\$1,840,160

Description: The FY 1993-94 budget included a Mayor's recommended additional salary savings of \$1,600,000 for MUNI's Platform Salaries. Both PUC and MUNI has advised that this additional \$1,600,000 salary savings that reduces transit operators salaries would require a reduction in MUNI's current level of service to its customers. PUC and MUNI have concluded that to avoid a transit service reduction, the \$1,600,000 in Platform Salaries and \$240,160 in related fringe benefits, for a total restoration of \$1,840,160 would be needed for MUNI to maintain current levels of transit services

The FY 1993-94 budget also included a General Fund Salary Standardization Reserve for the MUNI transit operators in the amount of \$1,815,944. This Reserve is now being requested to fund a budget deficiency in salaries and fringe benefits during FY 1993-94 as follows:

Permanent Salaries - Platform	\$1,600,000
Retirement	117,760
Social Security	99,200
Social Security- Medicare	<u>23,200</u>
Total	\$1,840,160

Permanent Salaries - Platform (\$1,600,000) The \$1,600,000 was an additional amount of salary savings subtracted from the FY 1993-94 MUNI Budget for transit operator salaries. The \$1,600,000 is 61.9 percent of total salary savings of \$2,584,249 for platform salaries. PUC and MUNI has advised that transit service reductions would be required if the \$1,600,000 were not restored.

Retirement (\$117,760) Based on an estimated 7.36 percent of total salaries of \$1,600,000.

Social Security (\$99,200) Based on an estimated 6.2 percent of total salaries of \$1,600,000.

Social Security - Medicare (\$23,200) Based on an estimated 1.45 percent of total salaries of \$1,600,000.

Comments:

1. Ms. Kathleen Kelly of the PUC Finance Bureau advises that although the supplemental funds have been requested for platform salaries and fringe benefits, a substantial portion of the funds will be needed for overtime expenditures. The additional overtime expenditures have resulted from the lack of new drivers completing the necessary eight weeks of driver training.

2. As previously noted, a Salary Standardization Reserve of \$1,815,944 has been set aside for salary increases for MUNI transit drivers. Ms. Kelly advises that such a salary increase would have required an estimated \$200,000 to \$300,000 based on the average increase in salaries of the two largest transit districts in the nation, per the current Memorandum of Understanding (MOU) with the Transport Workers Union. Ms. Kelly further advises that the Transport Workers Union has agreed to freeze the current increase of salaries for MUNI's transit drivers, such that the additional \$200,000 to \$300,000 should not be needed during this fiscal year.

Ms. Kelly advises that the requested funds in the proposed supplemental appropriation, instead of being used to provide for salary increases, would be used for restoring salary monies in order to permit a sufficient number of transit drivers to maintain the existing level of MUNI services. Therefore the previously required budgeted salary savings would be reduced.

3. PUC has not yet provided the Budget Analyst with (1) specific estimates or projections as to how the proposed supplemental appropriation would be distributed to salaries and to overtime expenditures and (2) more detailed information as to whether the entire supplemental request would be needed to maintain MUNI's existing level of transit service. Until that detailed information is provided, the subject supplemental appropriation should be continued.

Recommendation: Continue the proposed supplemental appropriation for transit driver salaries and fringe benefits to the call of the Chair, pending the submission of additional detailed information by the PUC.

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Item 9 - File 101-93-21

Department: District Attorney, Family Support Bureau

Item: Supplemental Appropriation in the amount of \$315,000, for temporary salaries and related fringe benefits, and other non-personal services and materials and supplies for the District Attorney.

Amount: \$315, 000

Source of Funds:

General Fund - General Fund Reserve	\$35,595 (11.3%)
State Funds - Child Support Enforcement	71,505 (22.7%)
Federal Funds - Child Support Enforcement	207,900 (66.0%)
Total	\$315,000 (100.0%)

Description: Under the provisions of SB 1530, the State has appropriated funds to counties for "creative and innovative ideas" relative to the Federally mandated Child Support Enforcement Program, which is administered through the State. Pursuant to the provisions of SB 1530, the State funds are to be used for new projects that will increase the rate of child support collections and thereby increase the recovery of welfare aid paid to the families of absent parents. When the Family Support Bureau receives a payment from an absent parent for child support, part of the payment, if applicable, is turned over to the State as a partial recovery of the State's cost of welfare aid to the family of the absent parent. The State's intent is to explore new methods for purposes of increasing the recovery of welfare aid to the families of absent parents.

The District Attorney, Family Support Bureau is proposing to implement a special project to reduce the backlog of active investigations of child support compliance under the Child Support Enforcement Program. According to the District Attorney, the present backlog of active investigations of child support compliance is approximately 23,058 cases as follows: (1) 8,893 cases involving the location of the absent parent, (2) 7,611 cases involving the location of assets of the absent parent, (3) 3,367 cases involving the location of absent parents who are receiving General Assistance or Social Security Insurance (SSI), (4) 1,738 Paternity cases, and (5) 1,449 cases to be established. The proposed project would involve (1) hiring 16 part-time entry level temporary Investigators to work after normal working hours, to screen information on active child support cases and recommend legal actions and (2) hiring five attorneys on a temporary basis to litigate those cases identified by the temporary investigators. According to the District Attorney, the temporary Investigators would work after

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regular working hours because the Department does not have sufficient computers for these staff to use during regular working hours.

SB 1530 affords counties two methods by which they may fund new projects. The first requires no matching local funds on the condition that the State recovers its portion of costs through the increased welfare aid collected. Any costs which are incurred by the State and are not recovered through increased welfare collections are withheld by the State from future county welfare payments. The second method requires counties to finance 11.3 percent of the program cost in local matching funds. The District Attorney advises that he has chosen to provide a local match to the Federal and State funds with respect to this project because this alternative eliminates any possibility of the State withholding future welfare payments from the City, in order to recover its costs, should the District Attorney not realize sufficient increased child support collections. The District Attorney believes that the most fiscally prudent approach is to use limited local matching funds in order to eliminate the risk associated with not realizing sufficient increased welfare aid collections.

The District Attorney adds that because the State would pay the City 11 percent of any increased collections, it is likely that additional revenues to the City resulting from increased collections will exceed the City's proposed \$35,595 in local General Fund match. For example, according to the District Attorney, based on the 8,893 cases involving the location of the absent parent, if only 4,446 or one-half of these cases are located and 2,223 or one-half of those cases located result in additional child support payments equaling \$50 per month (approximately 20% of the average welfare case payment), an additional \$1,333,800 in annual child support collections would be realized (\$50 per case times 2,223 cases times 12 months). Of the \$1,333,800, \$146,718 or 11 percent would accrue to the City. Based on this example, the City would realize a net benefit of \$111,123 (\$146,718 total revenues less \$35,595 matching local funds).

The proposed supplemental appropriation ordinance would fund the proposed new project for 39 weeks, as follows:

<u>Personnel</u>	
16 Temporary Investigators (16 x 18 hrs. x \$15.4625 per hr. x 39 weeks)	\$173,675
5 Temporary Attorneys (5 x 40 hrs. x \$22.6125 per hr. x 26 weeks)	117, 585
Fringe Benefits	<u>4,223</u>
Subtotal	\$295,483
<u>Operating Expenses</u>	
Office Expenses	\$17,346
Materials and Supplies	<u>2,171</u>
Subtotal	19,517
Total	\$315,000

Comments:

1. Mr. Joe Matranga of the District Attorney's Office advises that although the City has not previously budgeted General Fund monies of \$35,595 for the local match, the District Attorney is in the process of transferring approximately \$199,662 in uncashed outstanding Child Support warrants from the Family Support Trust Fund to the General Fund. Of the \$199,662, \$131,777 or 66 percent must be paid to the Federal government. The remaining balance of \$67,885 would benefit the General Fund, which would more than reimburse the General Fund for the needed local match of \$35,595 that is being requested under this legislation.

2. Mr. Matranga advises that this transfer of funds is expected to take place by the end of December, 1993. However, it should be noted, that the transfer of these funds from the Family Support Trust Fund to the General Fund is independent of the District Attorney's proposed project, and as such the General Fund will benefit from the Family Support Trust Fund regardless of whether the proposed ordinance is approved by the Board of Supervisors.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

Items 10 through 15 - Files 101-93-28; 101-93-29; 101-93-30; 101-93-31; 101-93-32
and 102-93-11

Departments: Department of Public Health

Introduction: The five proposed supplemental appropriation ordinances, totaling \$20,712,284, would fund six months' operating expenses for various programs in the Department of Public Health. A summary of the amounts requested, by program, is as follows:

	General Fund <u>Amount</u>	Other <u>Revenues</u>	Total
Mental Health for Substance Abuse	\$122,793	\$0	\$122,793
Laguna Honda Hospital	1,284,128	8,386,737	9,670,865
San Francisco General Hospital	2,611,626	2,655,392	5,267,018
Community Mental Health	3,827,016	307,752	4,134,768
Community Health Services	<u>1,328,218</u>	<u>179,622</u>	<u>1,507,840</u>
TOTAL	\$9,173,781	\$11,529,503	\$20,703,284

The sixth ordinance (File 102-93-11) would amend the Annual Salary Ordinance to add 426 positions and delete 26 positions.

Various programs were eliminated in the Mayor's proposed FY 1993-94 budget, but some were subsequently restored by the Board of Supervisors through creation of General Fund reserves. The DPH portion of these reserves are as follows:

- Public Health, Tier One and Two (\$9.2 million);
- The Mission Alcohol Abuse Program (\$75,000); and
- The Division of Mental Health Services Community Education and Information (CE&I) Program (\$60,000).

The purpose of these reserves established by the Board of Supervisors was to fund service restorations in the Department of Public Health for six months (from July 1, 1993 through December 31, 1993). Continuation of these services for the second six months of the 1993-94 fiscal year was conditioned on the passage of the State Sales Tax extension, approved by the voters on November 2, 1993. Therefore, a second supplemental appropriation will be necessary to continue these expenditures and services for the period January 1, 1994 through June 30, 1994.

Since the 1993-94 budget was approved by the Board of Supervisors and the Mayor with the inclusion of these specific restoration reserves, the Controller has largely

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permitted expenditure rates and personnel transactions as if the supplemental appropriations and positions included in this legislation were already in the approved 1993-94 budget. By granting this permission, the Controller technically allowed overspending but permitted the Department of Public Health to continue providing services for the first six months of 1993-94 consistent with the intent of the budget adopted by the Board of Supervisors and the Mayor. Therefore, the proposed ordinances are retroactive and provide for ratification of actions previously taken.

The proposed supplemental appropriation requests, totaling \$20,703,284, includes \$11,529,503 in other revenues and \$9,173,781 of the General Fund Reserves. The total amount of available General Fund Reserves for these Department of Public Health services is \$9,335,000. Therefore, a balance of \$161,219 in reserved funds would remain unappropriated if these supplemental appropriations are approved.

Since these supplemental appropriations are for the first six months of 1993-94, the DPH budget remains deficient in the amount of expenditure appropriations that will be needed to fund these services for the second six months of 1993-94. In order to fund continuation of these services therefore, another series of supplemental appropriations will be required for 1993-94.

File 101-93-28

Item 10:

Ordinance appropriating \$122,793, Department of Public Health - Mental Health for Substance Abuse, for permanent salaries, mandatory fringe benefits and medical services contracts, for the creation of three positions; subject of previous budgetary denial; and providing for ratification of action previously taken.

Amount: \$122,793

Source of Funds: General Fund Reserve for the Mission Alcohol Abuse Program (\$62,793)
General Fund Reserve for DMSF CE&I (\$60,000)

Description: The Board of Supervisors set aside \$75,000 for the Mission Alcohol Abuse Program and \$60,000 for the Division of Mental Health Services Community Education and Information Program (CE&I) as part of the General Fund restorations, for a total of \$135,000.

The \$75,000 for the Mission Alcohol Abuse Program was set aside to support the continuation of a program providing

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outpatient counseling services to bilingual and monolingual Spanish speaking substance abusers and their families. The Program provides over 2,800 units of counseling services annually. The Mission Council on Alcoholism, a private non-profit organization, contracts with the DPH to provide this Program. As noted in the following budget detail, the DPH has determined that only \$62,793 will be required to provide these services for six months, rather than the \$75,000 set aside by the Board of Supervisors.

The \$60,000 for the CE&I unit was set aside to support the continuation of: (1) Confident Parenting classes serving 100 parents over a six month period; (2) services for Filipino, Cambodian, African American and Latino providers; and (3) the development of decentralized mental health education for chronically mentally ill adults and seriously emotionally disturbed children.

Budget:

<i>CE&I Program</i>		
<u>Permanent Salaries</u>	<u>FTE</u>	<u>Amount</u>
Clerk Typist	1.0	\$9,698
Asst. Health Educator	1.0	23,998
Mental Health Educator	1.0	27,773
Salary Savings	<hr/>	(11,469)
Total Salaries	3.0	\$50,000
Fringe Benefits @ 20%		10,000
Total CE&I Program Budget		\$60,000

Mission Alcohol Abuse Program

Medical Services Contracts	<u>62,793</u>
TOTAL SUPPLEMENTAL APPROPRIATION REQUEST	\$122,793

Comment:

This proposed appropriation is consistent with the General Fund Reserve for the Mission Alcohol Abuse Program and the CE&I Program.

Recommendation: Approval of the proposed supplemental appropriation ordinance is a policy matter for the Board of Supervisors.

File 101-93-29

Item 11:

Ordinance appropriating \$9,670,865, Department of Public Health, Laguna Honda Hospital, for salaries, mandatory fringe benefits, other non-personal services, materials and supplies, equipment and services of other departments, for the creation of 314 positions and deletion of two positions;

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subject of previous budgetary denial; and providing for ratification of actions previously taken.

Amount: \$9,670,865

Source of Funds: General Fund Reserve for Public Health
Tier One and Two (\$1,284,128)
Medi-Cal (\$8,386,737)

Description: The Board of Supervisors set aside \$9.2 million as part of the General Fund restorations to support the continuation of various services at Laguna Honda Hospital, San Francisco General Hospital, the Division of Mental Health Services, and Community Mental Health Services. At Laguna Honda Hospital, these funds were intended to support 300 hospital beds, and the Adult Day Health/Senior Nutrition Program. This proposed supplemental appropriation request is to fund these services for the first six months of FY 1993-94.

Budget:	<u>Personnel</u>	<u>FTE</u>	<u>Amount</u>
	<i>Positions Added</i>		
	Assist. General Services Mgr.	1.0	\$14,388
	Assistant Cook	2.0	41,188
	Baker	1.0	13,267
	Beautician	1.0	13,487
	Dentist	1.0	33,232
	Dietitian	1.0	12,183
	Food Service Worker	6.0	82,650
	Head Accountant	—	30,000
	Head Nurse	15.0	480,704
	Health Program Coordinator	1.0	29,389
	Health Workers	7.0	121,784
	Hospital Admin. Assistant	1.0	54,292
	Institution Utility Worker	1.0	9,095
	Laundry Worker	8.0	140,000
	Licensed Voc. Nurse	19.0	406,206
	Medical Social Worker	3.0	78,196
	Medical Transcriber Typist	1.0	17,605
	Nurse Practitioner	1.0	33,191
	Nursing Assistant	135.0	1,790,543
	Nursing Supervisor	2.0	43,447
	Occupational Therapist	—	42,133
	Patient Accts. Asst. Supv.	1.0	18,278
	Payroll Clerk	—	70,000
	Pharmacist	1.0	25,552
	Physical Therapist	—	25,287

<u>Personnel</u>	<u>FTE</u>	<u>Amount</u>
Physician	3.0	\$66,736
Porter	20.0	314,511
Porter Supervisor I	1.0	10,711
Registered Nurse	66.0	1,858,771
Respiratory Care Practitioner	1.0	32,055
Secretary II	—	16,000
Senior Clerk Typist	2.0	31,604
Senior Laundry Worker	1.0	8,229
Senior Personnel Analyst	1.0	24,064
Senior Social Worker	1.0	22,159
Sr. Food Service Worker	2.0	15,627
Sr. Medical Soc. Worker	2.0	13,996
Sr. Physician Specialist	1.0	78,670
Staff Radiologic Technician	1.0	30,000
Therapy Aide	1.0	25,769
Transcriber Typist	1.0	14,360
X-Ray Laboratory Aide	1.0	10,036
Salary Savings Credit	—	<u>280,088</u>
Salary Subtotal	314.0	\$6,479,483
Fringe Benefits		1,688,453
Holiday & Premium Pay		<u>167,414</u>
Personnel Additions Total		\$8,335,350
<i>Positions Deleted</i>		
Senior Sewing Technician	(1.0)	\$(33,069)
Clinical Lab Technician	(1.0)	<u>(24,941)</u>
Personnel Deletions Total	(2.0)	(58,010)
<u>Materials and Supplies</u>		467,626
<u>Non Personnel</u>		128,837
<u>Building Repair</u>		3,000
<u>Light & Heat</u>		110,000
<u>Equipment</u>		6,836
<u>Worker's Compensation</u>		183,278
<u>Misc. Department</u>		<u>493,948</u>
TOTAL LAGUNA HONDA HOSPITAL		\$9,670,865

Memo to Budget Committee
November 17, 1993

Comment: This proposed appropriation is consistent with the General Fund Reserve for Public Health Tier One and Two.

Recommendation: Approval of the proposed supplemental appropriation ordinance is a policy matter for the Board of Supervisors.

File 101-93-30

Item 12:

Ordinance appropriating \$5,267,018, Department of Public Health, San Francisco General Hospital, for salaries, mandatory fringe benefits, professional services, materials and supplies and capital improvements for the creation of 42 positions and the deletion of ten positions and rescinding \$261,642 for salaries and services of other departments; providing for ratification of action previously taken; and subject of previous budgetary denial.

Amount: \$5,005,376 (\$5,267,018 less \$261,642)

Source of Funds: General Fund Reserve for Public Health Tier One and Two (\$2,611,626)
Medi-Cal (\$992,545)
MediCare (\$660,694)
Insurance Revenues (\$175,566)
Other Patient Revenues (\$471,195)
Short Doyle Medi-Cal (\$93,750)

Description: The Board of Supervisors set aside \$9.2 million as part of the General Fund restorations to support the continuation of various services at Laguna Honda Hospital, San Francisco General Hospital, the Division of Mental Health Services, and Community Mental Health Services. At San Francisco General Hospital, these funds were intended to support 65,000 outpatient visits with ancillary services, rehabilitation services, psychiatric consultations, pain management and other outpatient support, and a substance abuse detoxification program.

Budget: SAN FRANCISCO GENERAL HOSPITAL

<u>Personnel</u>	<u>FTE</u>	<u>Amount</u>
<i>Positions Added</i>		
Clerk Typist	2.0	\$30,224
Sr. Clerk Typist	3.0	58,424
Data Entry Operator	1.0	13,728
MIS Spec. I	1.0	17,683
Asst. Storekeeper	1.0	15,621
Medical Records Clerk	1.0	23,934

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<u>Personnel</u>	<u>FTE</u>	<u>Amount</u>
Health Care Analyst	1.0	\$22,264
Physician Specialist	11.0	600,073
Psychiatric Tech.	1.0	45,953
Central Proc. Distr. Tech.	1.0	27,643
Pharmacy Tech.	1.0	31,480
Staff Rad Tech.	1.0	29,166
Speech Pathologist	—	7,693
Occupational Therapist	2.0	38,456
Therapy Aide	—	13,962
Physical Therapist Asst.	2.0	41,464
Physical Therapist	1.0	23,250
Health Worker II	2.0	41,830
Nutritionist	3.0	77,410
Medical Soc. Worker	2.0	56,875
Head Nurse	2.0	82,090
Clinical Nurse Specialist	1.0	34,204
Nursing Supervising Psychologist	—	12,495
Nurse Practitioner	2.0	80,643
Registered Nurse	—	42,911
Salary Savings Credit		<u>778,782</u>
Salary Additions Subtotal	42.0	\$2,248,258
<i>Positions Deleted</i>		
Unit Clerk	(2.0)	(29,075)
Licensed Vocational Nurse	(7.0)	(96,147)
Clerk	(1.0)	(12,006)
	(10.0)	(137,228)
Temporary Salaries - Misc.		(209,945)
Mandatory Fringe Benefits		347,898
<u>Professional Services</u>		
(UC Contractual Ancillary Services, mostly related to outpatient services, such as clinical laboratory services, nuclear medicine.)		
<u>Materials & Supplies</u>		
(pharmaceuticals related to outpatients for health centers; psychiatric emergency, methadone)		
		1,675,000

<u>Misc. Department</u>	(\$51,697)
<u>Capital Project Budget</u>	<u>200,000</u>
(\$85,000 to renovate Phlebotomy Section; \$75,000 to relocate Anesthesia and Cardiology; \$40,000 to remodel Gynecology)	
TOTAL SAN FRANCISCO GENERAL HOSPITAL	\$5,005,376

Comments: 1. The net \$5,005,376 required by SFGH is equal to the total expenditures of \$5,267,018 less rescissions of \$261,642 (including \$209,945 for miscellaneous temporary salaries and \$51,697 for miscellaneous departments), as reflected in this request.
2. This proposed appropriation is consistent with the General Fund Reserve for Public Health Tier One and Two.

Recommendation: Approval of the proposed supplemental appropriation ordinance is a policy matter for the Board of Supervisors.

File 101-93-31

Item 13:

Ordinance appropriating \$4,134,768, Department of Public Health, Community Mental Health, for salaries, mandatory fringe benefits, professional and other contractual services, materials and supplies, and services of other departments, for the creation of 40 positions and the deletion of five positions; subject of previous budgetary denial; and providing for ratification of actions previously taken. (File 101-93-031)

Amount: \$4,134,768

Source of Funds: General Fund Reserve for Public Health Tier One and Two (\$3,827,016)
Short Doyle Medi-Cal (\$218,750)
Recession of Temporary Salaries (\$89,002)

Description: The Board of Supervisors set aside \$9.2 million as part of the General Fund restorations to support the continuation of various services at Laguna Honda Hospital, San Francisco General Hospital, the Division of Mental Health Services, and Community Mental Health Services. At Community Mental Health, these services consist of:

- Continuing the Center for Special Problems;
- Continuing various homeless programs;

- Provide 17 beds at Napa State Hospital for six months; and
- Provide mental health, substance abuse, and community outpatient services.

Budget:

Geriatrics

Medical Services Contracts \$37,000
(For a list of contractors, see below.)

Adult Acute

Medical Services Contracts \$1,410,240
(For a list of contractors, see below.)

Adult Community Mental Health

<u>Permanent Salaries - Misc.</u>	<u>FTE</u>	
<i>Position Additions</i>		
Special Asst. XIII	1.0	\$29,726
Sr. Clerk Typist	3.0	51,401
Secretary I	1.0	16,328
Sr. Physician Specialist		7,975
Sr. Psychiatric Orderly	1.0	21,674
Health Prog. Coord. III	1.0	29,726
Sr. Psychiatric Social Worker	3.0	84,943
Salary Savings Credit		<u>219,017</u>
Subtotal Position Additions	10.0	460,790

<u>Position Deletions</u>		
Clerk Typist	(1.0)	(15,464)
Occupational Therapist	(1.0)	(56,533)
Secretary II	(1.0)	(18,740)
Psychiatric Technician	(1.0)	(34,530)
Health Worker III	(1.0)	<u>(30,511)</u>
Subtotal Position Deletions	(5.0)	(155,778)

<u>Permanent Salaries - Nurses</u>		
Registered Nurse	1.0	\$29,977
Clinical Nurse Specialist	2.0	<u>76,296</u>
Subtotal	3.0	106,273

Fringe Benefits 83,959

Medical Services Contracts 898,574
(For a list of contractors, see below.)

TOTAL ADULT COMMUNITY \$1,393,818

**BOARD OF SUPERVISORS
BUDGET ANALYST**

Community Substance Abuse Services

Medical Services Contracts

(For a list of contractors, see below.)

Center for Special Problems

\$333,826

<u>Permanent Salaries - Misc.</u>	<u>FTE</u>	<u>Amount</u>
Clerk Typist	2.0	\$ 31,284
Sr. Clerk Typist	2.0	34,267
Transcriber Typist	1.0	17,134
Sr. Administrative Analyst	1.0	29,436
Sr. Management Assistant	1.0	26,070
Sr. Physician Specialist	5.0	204,703
Clinical Pharmacist	1.0	36,128
Clinical Psychologist	2.0	62,753
Clinical Psychologist	1.0	15,688
Health Prog. Coord. I	1.0	23,298
Health Prog. Coord. III	1.0	29,726
Porter	1.0	15,721
Psychiatric Social Worker	5.0	121,948
Sr. Psychiatric Social Worker	2.0	56,628
Salary Savings		<u>(130,301)</u>
Subtotal	26.0	574,483
<u>Permanent Salaries - Nurses</u>		
Clinical Nurse Specialist	1.0	\$30,037
Salary Savings		<u>(1,657)</u>
Subtotal	1.0	28,380
Fringe Benefits		133,662
<u>Professional & Special Services</u>		44,250
<u>Other Contractual Services</u>		3,162
<u>Training</u>		1,250
<u>Other Current Services</u>		2,109
<u>Telephone</u>		32,083
<u>Property Rental</u>		63,503
<u>Materials & Supplies</u>		10,583
<u>Building Maintenance</u>		1,027
<u>Light, Heat & Power</u>		2,600

<u>Printing & Reproduction - City</u>	\$2,946
<u>PUC-Admin. Services</u>	208
<u>Mandatory Fringe Savings</u>	<u>(34,112)</u>
Total Center for Special Problem	\$866,134
Transfer to SFGH	<u>93,750</u>
TOTAL SUPPLEMENTAL APPROPRIATION REQUEST	\$4,134,768

Comments:

1. Medical Services Contracts include previously approved contracts with non-profit organizations for direct services to various groups, such as substance abusers and the homeless.

The non-profit contractors included in the above budget are as follows:

Geriatrics

Canon Kip Homeless Geriatric Services	\$21,000
North of Market Senior Services	<u>16,000</u>
Total	\$37,000

Adult Acute

Cal-Pacific Westside Lodge	\$6,740
IMD Services	300,000
Napa State Hospital	1,000,000
Westside Crisis Services	<u>103,500</u>
Total	\$1,410,240

Adult Community

Bayview Hunters Point Foundation	\$214,709
Bayview Hunters Point Foundation	46,500
Center on Deafness	50,000
Episcopal Sanctuary	213,500
FSA - Japanese Program	9,073
FSA - MIA Program	42,899
Instituto Familiar de la Raza	22,037
Psychiatric Medical Coverage	62,500
RAMS Outpatient	68,803
Representative Payee	62,562
Swords to Plowshares	68,500
Westside Outpatient	<u>37,491</u>
Total	\$898,574

Community Substance Abuse Services

CATS-MAP Transport Services	\$23,500
ST. Vincent de Paul MSC	72,500
Substance Abuse Residential Services	200,000
Westside Methadone Detox	<u>37,826</u>
Total	\$333,826

2. This proposed supplemental appropriation is consistent with the General Fund Reserve for Public Health Tier One and Two.

Recommendation: Approval of the proposed supplemental appropriation ordinance is a policy matter for the Board of Supervisors.

File 101-93-32

Item 14:

Ordinance appropriating \$1,507,840, Department of Public Health, Department of Community Health Services, for salaries, mandatory fringe benefits, other non-personal services, of other departments for the creation of 27 positions and the deletion of nine positions; and rescinding \$41,675 for salaries and mandatory fringe benefits, General Fund, and \$51,697 for salaries and fringe benefits, work order fund; providing for ratification of action previously taken; and subject of previous budgetary denial.

Amount: \$1,507,840

Source of Funds:

General Fund Reserve for Public Health Tier One and Two	(\$1,328,218)
Dental Fees	(\$7,917)
Child Health Disability Program	(\$16,976)
Miscellaneous Revenues	(\$46)
Patient Payments	(\$7,195)
Medi-Cal	(\$103,534)
Medi-Care	(\$1,064)
Private Insurance	(\$1,215)
Recession of Permanent Salaries and Fringe Benefits	(\$41,675)

Description: The Board of Supervisors set aside \$9.2 million as part of the General Fund restorations to support the continuation of various services at Laguna Honda Hospital, San Francisco General Hospital, the Division of Mental Health Services, and Community Mental Health Services. At Community Health Services, these funds are to support a Health Center.

adult dental care, tuberculosis control, public health nursing, and environmental health and toxics services.

Budget:

Administrative Services

<u>Permanent Salaries</u>	<u>FTE</u>	<u>Amount</u>
Sr. Personnel Analyst	1.0	\$29,258
Secretary II	(1.0)	(18,230)
Jr. Management Asst.	(1.0)	(19,836)
Salary Savings Credit		<u>56,519</u>
Total Permanent Salaries	(1.0)	\$47,711
Mandatory Fringe Benefits		<u>5,871</u>
Total Administrative Services		\$53,582

Health Care Centers

<u>Permanent Salaries</u>	<u>FTE</u>	<u>Amount</u>
Spec. Assistant XIII	1.0	\$33,643
Clerk Typist	4.0	50,256
Unit Clerk	1.0	14,538
Medical Records Clerk	1.0	17,096
Dental Aide	2.0	34,687
Dentist	2.0	70,143
Physician Spec.	1.0	43,600
Sr. Physician Spec.	1.0	30,436
Licensed Vocational Nurse	(1.0)	(34,866)
Health Worker I	1.0	13,743
Health Worker III	1.0	18,022
Porter	1.0	15,177
Registered Nurse	3.0	78,468
Head Nurse	1.0	35,992
Public Health Nurse	1.0	26,605
Salary Savings Credit		<u>285,396</u>
Total Permanent Salaries	20.0	\$732,936

Temporary Salaries

Unit Clerk	(\$7,122)
Medical Records Clerk	(2,849)
Misc. Undetailed Cut	124,256
Public Health Nurse	(31,039)
Nurses Undetailed Cut	<u>79,291</u>
Total Temporary Salaries	162,537
Premium Pay	11,092
Fringe Benefits	<u>167,344</u>
Total Personnel	\$1,073,909

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<u>Other Non Personal Services</u>		\$8,056
<u>Materials and Supplies</u>		13,268
<u>Work Order Building Maintenance</u> (HVAC/Roof Repair)		<u>150,000</u>
Total Health Care Centers		\$1,245,233
Public Health Services		
<u>Permanent Salaries</u>		
Sr. Clerk Typist	(1.0)	(\$30,803)
Dental Director (.50 FTE)	—	24,162
Staff Radiologic Tech.	1.0	19,015
Public Health Asst. Tech. III	(1.0)	(54,653)
Salary Savings		<u>85,456</u>
Total Permanent Salaries	<u>(1.0)</u>	\$43,177
Mandatory Fringe Benefits		<u>\$ 2,058</u>
Total Public Health Services		\$45,235
AIDS Disease Control		
<u>Permanent Salaries</u>		
Sr. Clerk Typist	(1.0)	(\$15,402)
Sr. Health Educator	1.0	21,714
Salary Savings		<u>15,402</u>
Total Permanent Salaries	0.0	\$21,714
Mandatory Fringe Benefits		<u>1,718</u>
Total AIDS Disease Control		\$23,432
Bureau of Environmental Health Services (BEHS)		
<u>Permanent Salaries</u>		
EH Technician I	(1.0)	(\$35,383)
EH Inspector	1.0	31,297
Salary Savings		<u>36,675</u>
Total Permanent Salaries	0.0	\$32,589
Mandatory Fringe Benefits		3,139
Work Order - Misc. Departments		<u>36,302</u>
Total BEHS		\$72,030

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TOXICS - Misc.			
<u>Permanent Salaries</u>			
EH Inspector	2.0	\$57,107	
Salary Savings		<u>699</u>	
Total Permanent Salaries			\$57,806
Mandatory Fringe Benefits			<u>10,522</u>
Total Toxics - Misc.			\$68,328
Total Community Health Services			\$1,507,840

Recommendation: Approval of the proposed supplemental appropriation ordinance is a policy matter for the Board of Supervisors.

File 102-93-11

Item 15:

Ordinance amending the 1993-94 Annual Salary Ordinance, Department of Public Health, reflecting the addition of 426 positions and the deletion of 26 positions. (File 102-93-011)

Description:

The positions added and deleted in each DPH budget are detailed in the preceding discussion of each supplemental appropriation. Two positions in the proposed ordinance are listed as position substitutions (Civil Service Classification "S"). The first position, which is being abolished, is an 1840 Management Assistant, at a Step V annual salary of \$39,672. In FY 1992-93, this position was included in the Health Department's budget as an 1844 Senior Management Assistant, at a Step V annual salary of \$51,547. The deletion of this position as an 1840 Management Assistant reflects a reclassification approved as part of the FY 1993-94 budget, even though this position was never filled.

The second position, a 1372 Special Assistant XIII, at a Step V annual salary of \$71,436, was included in the FY 1992-93 budget as a 2248 Assistant Director of Clinical Services II, at an annual salary of \$86,835. The proposed downgrade represents a maximum annual reduction in salary costs of \$15,399. This position acts as the director of a health center, the DPH advises.

All of the remaining positions to be added under this proposed amendment to the 1993-94 Annual Salary Ordinance are continuing positions that were included in the FY 1992-93 Annual Salary Ordinance, but were deleted in the Mayor's originally proposed FY 1993-94 budget. All of the positions to be deleted under this proposed ordinance are vacant positions.

BOARD OF SUPERVISORS
BUDGET ANALYST

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Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

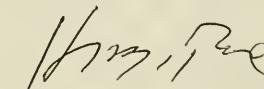
BOARD OF SUPERVISORS
BUDGET ANALYST

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Item 16 - File 79-93-2

The proposed resolution would approve the 1994 Community Development Program of up to \$25,078,244 and authorize the Mayor, on behalf of the City and County of San Francisco, to apply for, receive and expend the City's 1994 Community Development Block Grant (CDBG) entitlement from the U. S. Department of Housing and Urban Development (HUD) estimated to be \$22,041,000. The proposed resolution would also transfer and expend (a) reprogrammed funds of \$1,863,244, included in the amount of \$25,078,244, from prior year Community Development Programs and (b) additional program income of \$1,174,000 generated by the San Francisco Redevelopment Agency (SFRA) which is also included in the \$25,078,244 amount. The proposed resolution would also (a) approve expenditure schedules for recipient departments and agencies including indirect costs totaling \$80,000, (b) would determine that no environmental evaluation is required and (c) would authorize the receipt and deposit of any funds in excess of \$25,078,244 to be placed in a Contingency Fund.

Refer to the Budget Analyst's separate report of November 15, 1993 on the Mayor's proposed 1994 Community Development Program.



Harvey M. Rose

cc: Supervisor Migden
Supervisor Hsieh
President Alioto
Supervisor Bierman
Supervisor Conroy
Supervisor Hallinan
Supervisor Kaufman
Supervisor Kennedy
Supervisor Leal
Supervisor Maher
Supervisor Shelley
Clerk of the Board
Chief Administrative Officer
Controller
Teresa Serata
Robert Oakes
Ted Lakey

Memo to Budget Committee
November 17, 1993

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Item 8 - File 101-93-18

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Supplemental Appropriation for the Municipal Railway (MUNI) for permanent salaries-platform and related mandatory fringe benefits. This request is the subject of previous budgetary denial.

Amount: \$1,840,160

Source of Funds:	General Fund Salary Standardization Reserve	\$1,815,944
	General Fund General Reserve	<u>24,216</u>
	Total	\$1,840,160

Description: The FY 1993-94 budget included a Mayor's recommended additional salary savings of \$1,600,000 for MUNI's Platform Salaries. Both PUC and MUNI has advised that this additional \$1,600,000 salary savings that reduces transit operators salaries would require a reduction in MUNI's current level of service to its customers. PUC and MUNI have concluded that to avoid a transit service reduction, the \$1,600,000 in Platform Salaries and \$240,160 in related fringe benefits, for a total restoration of \$1,840,160 would be needed for MUNI to maintain current levels of transit services

The FY 1993-94 budget also included a General Fund Salary Standardization Reserve for the MUNI transit operators in the amount of \$1,815,944. This Reserve is now being requested to fund a budget deficiency in salaries and fringe benefits during FY 1993-94 as follows:

Permanent Salaries - Platform	\$1,600,000
Retirement	117,760
Social Security	99,200
Social Security- Medicare	<u>23,200</u>
Total	\$1,840,160

Permanent Salaries - Platform (\$1,600,000) The \$1,600,000 was an additional amount of salary savings subtracted from the FY 1993-94 MUNI Budget for transit operator salaries. The \$1,600,000 is 61.9 percent of total salary savings of \$2,584,249 for platform salaries. PUC and MUNI has advised that transit service reductions would be required if the \$1,600,000 were not restored.

Retirement (\$117,760) Based on an estimated 7.36 percent of total salaries of \$1,600,000.

Social Security (\$99,200) Based on an estimated 6.2 percent of total salaries of \$1,600,000.

Social Security - Medicare (\$23,200) Based on an estimated 1.45 percent of total salaries of \$1,600,000.

Comments:

1. The PUC Finance Bureau has provided the Budget Analyst with information and analysis on MUNI's FY 1993-94 Platform Spending Plan. This plan projects expenditures for transit drivers throughout the current fiscal year. As of November 5, 1993, actual platform salaries total \$29,948,655 which is \$79,526 less than the anticipated amount of \$30,028,181.
2. Annualized, actual platform salaries would be \$85,741,701 which would be \$227,820 less than MUNI's FY 1993-94 budgeted amount of \$85,969,521 for platform salaries, which includes the requested \$1,600,000 to restore the deducted salary savings for that amount as follows:

<u>Description</u>	<u>Amount</u>
FY 1993-94 Budget for Platform Salaries including the Proposed Supplemental of \$1,600,000 for Salaries	\$85,969,521
Actual Platform Salary Expenditures (July through Nov. 5, 1993)	\$29,948,655
Projected Platform Salary Expenditures (Nov. 6, 1993 through June 30, 1994)	<u>55,793,046</u>
Total Projection of Actual Expenditures	<u>85,741,701</u>
Excess of Budgeted Salaries over Projected Salaries	\$227,820
Prorated Fringe Benefits to Retirement	16,768
Prorated Fringe Benefits to Social Security	14,125
Prorated Fringe Benefits to Medicare	<u>3,303</u>
Amount of Supplemental appropriation request which is not needed	\$262,016

3. Based on this analysis, the total supplemental appropriation request should be reduced by \$262,016 from \$1,840,160 to \$1,578,144.

Recommendation:

1. Reduce the proposed supplemental appropriation request by \$262,016 from \$1,840,160 to \$1,578,144; and
2. Amend the proposed supplemental appropriation as follows:
 - Line 1, Reduce \$1,840,160 to \$1,578,144;
 - Line 13, Delete \$24,216 under General Reserve Debit;
 - Line 15, Reduce \$1,815,944 to \$1,578,144 under Salary Standardization Reserve Debit;
 - Line 19, Reduce \$1,840,160 to \$1,578,144 under 35-00-00 Municipal Railway Credit; and
 - Line 20, Reduce \$1,840,160 to \$1,578,144 under Total General Fund Debit and Credit.
3. Approve the proposed supplemental appropriation request as amended.

Memo to Budget Committee
November 17, 1993

Attn: Jane Hudson

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EH Inspector	2.0	\$57,107
Salary Savings		<u>699</u>
Total Permanent Salaries		\$57,806
Mandatory Fringe Benefits		<u>10,522</u>
Total Toxics - Misc.		\$68,328

TOXICS - EAPPermanent Salaries

Senior Clerk Typist	(1.0)	(\$33,878)
Mandatory Fringe Benefits		<u>(7,797)</u>
Total Toxics - EAP		(\$41,675)

Management Information Systems (MIS) - Work OrderPermanent Salaries

Programmer Analyst	(1.0)	(\$42,583)
Mandatory Fringe Benefits		(9,114)
Work Order Recovery		<u>51,697</u>
Total MIS Work Order		0

Total Community Health Services * \$1,466,165

* The proposed supplemental appropriation should be reduced by \$41,675 from \$1,507,840 to \$1,466,165.

Recommendation: Amend the proposed supplemental appropriation ordinance (File 101-93-32) to reduce the amount by \$41,675 from \$1,507,840 to \$1,466,165. Approval of the proposed supplemental appropriation ordinance in the amount of \$1,466,165 is a policy matter for the Board of Supervisors.

REVISED

File 102-93-11

Item 15:

Ordinance amending the 1993-94 Annual Salary Ordinance, Department of Public Health, reflecting the addition of 426 positions and the deletion of 26 positions. (File 102-93-011)

Description:

The positions added and deleted in each DPH budget are detailed in the preceding discussion of each supplemental appropriation. Two positions in the proposed ordinance are listed as position substitutions (Civil Service Classification "S"). The first position, which is being abolished, is an 1840 Management Assistant, at a Step V annual salary of \$39,672. In FY 1992-93, this position was included in the Health Department's budget as an 1844 Senior Management Assistant, at a Step V annual salary of \$51,547. The deletion of this position as an 1840 Management Assistant reflects a reclassification approved as part of the FY 1993-94 budget, even though this position was never filled.

The second position, a 1372 Special Assistant XIII, at a Step V annual salary of \$71,436, was included in the FY 1992-93 budget as a 2248 Assistant Director of Clinical Services II, at an annual salary of \$86,835. The proposed downgrade represents a maximum annual reduction in salary costs of \$15,399. This position acts as the director of a health center, the DPH advises.

All of the remaining positions to be added under this proposed amendment to the 1993-94 Annual Salary Ordinance are continuing positions that were included in the FY 1992-93 Annual Salary Ordinance, but were deleted in the Mayor's originally proposed FY 1993-94 budget. All of the positions to be deleted under this proposed ordinance are vacant positions.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

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CALENDAR *Action Taken*
BUDGET COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, NOVEMBER 24, 1993 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS MIGDEN, HSIEH

ABSENT: SUPERVISOR ALIOTO

CLERK: KAY GULBENGAY

1. File 79-92-3.5. [Release of Funds] Requesting release of reserved funds, Mayor's Office of Community Development, 1993 Community Block Grant, in the amount of \$86,359, for the Mayor's Office of Children, Youth and Their Families, for the administration of the Employment Opportunities 1000 Program.

(Continued from 11/10/93)

ACTION: Hearing held. Release of \$86,359 approved. Filed.

2. File 97-93-60. [Weighing and Measuring Devices] Ordinance amending the Administrative Code by amending Section 1.15.1 thereto, to make technical changes and to provide for charging reinspection fees, effective December 1, 1993, for testing weighing and measuring devices that fail to pass an initial inspection. (Department of Agriculture and Weights and Measures)

ACTION: Hearing held. Amended on page 1 line 4 (in title) by deleting "December 1, 1993" with "February 1, 1994" and on page 3 line 6 by deleting "December 1, 1993" with "February 1, 1994".

New Title: "Amending the Administrative Code by amending Section 1.15.1 thereto, to make technical changes and to provide for charging reinspection fees, effective February 1, 1994, for testing weighing and measuring devices that fail to pass an initial inspection."

Recommended as amended.

3. File 82-93-12. [Easement/Emergency Vehicles Fillmore & Webster] Resolution authorizing acceptance of an easement for emergency vehicle ingress and egress purposes from the Redevelopment Agency of the City and County of San Francisco, Fillmore Marketplace Associates, and Safeway Stores, Inc. (Real Estate Department)

ACTION: Hearing held. Recommended.

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4. File 34-93-7. [Regulating Width of Sidewalk on Fourth Street] Ordinance amending Ordinance 1061 entitled "Regulating the Width of Sidewalks" by adding thereto to Section 1514 changing the official width of sidewalk from 11.04 to 21.0 feet on the southwesterly side of Fourth Street between Mission and Minna Streets and making findings pursuant to City Planning Code Section 101.1. (Department of Public Works)

11/4/1993 – Recommended and transferred from Housing and Land Use Committee – Fiscal Impact

Present: Supervisors Bierman, Maher

Absent: Supervisor Shelley

ACTION: Hearing held. Recommended.

5. File 101-93-34. [Appropriation, Pleasanton Property Development] Ordinance appropriating \$675,000 for programmatic project (Pleasanton Property Development Plan) for the Water Department and rescinding \$675,000 from other non-personal services (environmental mitigation) for Hetch Hetchy for fiscal year 1993-94. (Controller)

ACTION: Hearing held. Amended on page 1 (in title) line 3 after "1993-94" by adding "placing \$100,000 on reserve"; on line 25 by adding "Section 2. Funds in the amount of \$100,000 for development fees pending additional details regarding these funds, to be released by the Budget Committee." New Title: "Appropriating \$675,000 for programmatic project (Pleasanton Property Development Plan) for the Water Department and rescinding \$675,000 from other non-personal services (environmental mitigation) for Hetch Hetchy for fiscal year 1993-94; placing \$100,000 on reserve." Recessed to 12/1/93 meeting.

6. File 101-93-33. [Appropriation for Port Capital Improvement Project] Ordinance appropriating \$2,325,362, Port, for a capital improvement project from various Port funds. RO #93139 (Controller)

ACTION: Hearing held. Amended on page line 2 after "1993-94" by adding "placing \$2,149,974 on reserve"; on page 2 line 17 by adding "Section 2. Funds in the amount of \$2,149,974 pending selection of Rail Consultant and Construction contractors, determination of MBE/WBE status and cost details and submission of the Southern Pacific contract cost details, to be released by the Budget Committee." New Title: "Appropriating \$2,325,362, Port, for a capital improvement project from various Port funds; placing \$2,149,974 on reserve." Recommended as amended.

7. File 127-93-22. Ordinance amending Part III of the Municipal Code by enacting a new Article 10A, adding Sections 750 through 772, to impose a fee on telephone subscribers to finance 911 Communication System consolidation and improvements and amending Article 10, Section 720, to place a portion of Utility Users' Tax proceeds in the 911 Emergency Response Fund. (Supervisors Maher, Shelley) (Also see 97-93-58 and 307-93-1.)

(Continued from 11/17/93)

ACTION: Continued to 12/1/93 meeting at the request of sponsor.

8. File 97-93-58 [911 Emergency Response Fund] Ordinance amending Chapter 10 of the San Francisco Administrative Code by adding Section 10.204 thereof to establish a 911 Emergency Response Fund." (Supervisor Shelley, Maher) (Also see File 127-93-22 and 307-93-1.)

(Continued from 11/17/93)

ACTION: Continued to 12/1/93 meeting at the request of sponsor.

9. File 307-93-1. [911 Communication Center] Resolution authorizing and directing the Chief Administrative Officer to take all steps necessary to construct and equip a 911 communications facility in consultation with the Mayor's Office of Emergency Services and urging the Mayor immediately to take all necessary steps to consolidate dispatch functions under the supervision of the Office of Emergency Services upon completion of the new facility. (Supervisor Maher, Shelley) (Also see 127-93-22 and 97-93-58.)

(Continued from 11/17/93)

ACTION: Continued to 12/1/93 meeting at the request of sponsor.

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November 22, 1993

TO: Budget Committee

FROM: Budget Analyst *Recommendations.*

SUBJECT: November 24, 1993 Budget Committee Meeting

Item 1 - File 79-92-3.5

Note: This item was continued from the November 10, 1993 Budget Committee meeting.

Item: Communication requesting release of reserved funds, Mayor's Office of Community Development, 1993 Community Development Block grant, in the amount of \$86,359, for the Mayor's Office of Children, Youth and Their Families, for the administration of the Employment Opportunities 1000 Program.

Department: Mayor's Office of Community Development

Amount: \$86,359

Source of Funds: 1993 Community Development Block Grant

Description: The Board of Supervisors previously approved the budget for the 1993 Community Development Block Grant. When this ordinance was approved, \$86,359 was allocated for the Mayor's Office of Children, Youth and Their Families (MOCYF) Employment Opportunities 1000 Program. This allocation was reserved pending the provision by MOCYF of job descriptions and salaries for any positions associated with the Employment

Opportunities 1000 Program and other related cost information.

The Employment Opportunities 1000 is a pilot program designed to foster private sector job creation and placement for unemployed and under employed low- and moderate-income residents. The goal of the program is to obtain 1,000 job pledges over a 12-month period. The project would make job referrals for individuals recommended by community-based organizations, focusing on hard-to-place, at-risk clients.

MOCYF originally intended to operate the Employment Opportunities 1000 Program in-house for the first 24 to 36 months. However, upon further analysis, MOCYF concluded that the Program could be operated by a nonprofit contractor at lower cost. Therefore, this proposed release of reserve would support a nonprofit contractor, Renaissance Parents of Success, to operate the proposed program. The Mayor's Office is requesting that the entire \$86,359 on reserve be released to support this contractor from November, 1993 to June, 1994 (eight months).

This release of reserve would also provide \$15,000 toward the Horizons, Unlimited Boy's Club Summer Athletics Program, a summer athletics program for 200 youth. The \$15,000 represents a portion of the Summer Athletics Program's costs; the remaining program costs are funded by a combination of grants from other grantmaking organizations, individual fundraising and fees for service.

**Contractor
Budgets:**

Contractor: Renaissance Parents of Success

<u>Personnel</u>	<u>FTE</u>	
Program Coordinator	1.0	\$25,987
Assistant Program Coordinator	1.0	23,822
Executive Director	<u>1</u>	<u>4,331</u>
Total Salaries	2.1	\$54,140
Fringe Benefits @ 20 percent		<u>10,817</u>
Total Salaries and Fringe Benefits		\$64,957

<u>Materials and Supplies</u>	
Postage	\$887
Office Supplies	1,000
Printing	1,885
Accounting/Audit	<u>2,630</u>
Total Materials and Supplies	<u>6,402</u>
 Total Contractor Budget	 \$86,359
 Contractor: <i>Horizons Unlimited</i>	
 <u>Summer Recreation Program</u>	 \$15,000

Comments:

1. Mr. Nathaniel Harris of the Mayor's Office of Community Development has provided the Budget Analyst with the job descriptions for the three positions listed above.
2. The Employment Opportunities 1000 Program would represent an expansion of an existing contract with Renaissance Parents of Success. Under the current contract, Renaissance Parents of Success provides educational and vocational services to high school students and youth preparing for the General Education Degree.

Recommendation: Release the entire \$86,359, as requested.

Item 2 - File 97-93-60

Department: Department of Agriculture and Weights and Measures

Item: Ordinance amending Chapter 1 of the San Francisco Administrative Code by amending Section 1.15.1 thereto to make technical changes and to provide for charging reinspection fees, effective December 1, 1993, for testing weighing and measuring devices that fail to pass an initial inspection.

Description: California law states that any users or owners of commercial scales or other measuring devices, such as taxicab meters, are required to maintain the accuracy of that equipment. According to the Department of Agriculture and Weights and Measures, there are approximately 6,000 such devices in the City of San Francisco. The Department of Agriculture and Weights and Measures inspects all of these devices annually at no charge. (See Comment 2.) About ten percent of these measuring devices prove to be inaccurate each year (500 to 600 devices), and must be reinspected. The Department of Agriculture and Weights and Measures is currently not empowered to charge a fee for this reinspection. The proposed ordinance would provide for charging such reinspection fees. These fees would be set in accordance with the State Business and Professions Code, Section 12210.5, as follows:

<u>Device</u>	<u>Hourly Fee</u>
Small Capacity Scales	\$63.50
Large Capacity Scales	80.00
Extra Large Capacity Scales	115.00
Retail Gasoline Dispensers	53.00
Wholesale Petroleum Meters	60.00
Liquefied Petroleum Gas Meters	60.00
All Other Commercial Devices	60.00

Mileage Charge to Be Added for Scale Testing

- \$0.75 per mile for any vehicle up to 10,000 pounds;
- \$1.25 per mile for vehicles 10,000 to 40,000 pounds;
- \$1.60 per mile for vehicles exceeding 40,000 pounds.

Comments:

1. The Department estimates that the proposed ordinance would result in revenues of approximately \$30,000 in calendar year 1994, assuming an implementation date of January 1, 1993. Such fees would accrue to the General Fund. According to Mr. Evan Weeth of the Department of Agriculture and Weights and Measures, the intent of the proposed ordinance is not to increase revenues, however, but to increase compliance with laws pertaining to the maintenance of measuring devices by forcing businesses to pay for reinspections if their devices were not in compliance during the first inspection. The Department therefore anticipates that revenues will decrease by an undetermined amount the second and ensuing years because the more devices are in compliance, the fewer reinspections would be completed and the less reinspection fees would be collected.

2. Although the Department does not charge businesses for the initial measuring device inspection, businesses must pay a flat fee to register all measuring devices. This registration fee is intended to cover a portion, but not all, of the initial inspection, in accordance with State law. The registration fee is as follows:

1 to 3 devices	\$20
4 to 9 devices	40
over 9 devices	60

The Department of Agriculture and Weights and Measures collects approximately \$80,000 per year from these registration fees. The registration fee revenue accrues to the General Fund.

3. The proposed ordinance would authorize the Department to charge reinspection fees beginning December 1, 1993. Mr. Weeth reports that the Department would notify businesses that this fee had been implemented prior to collecting such fees, however. Mr. Weeth anticipates that the Department would actually begin to collect fees January 1, 1994.

Recommendation: Approve the proposed ordinance.

Item 3 - File 82-93-12

Departments: Real Estate Department
Fire Department
Department of Public Works (DPW)

Item: Resolution authorizing the acceptance of the rights to an easement by the Director of Property from the Redevelopment Agency, Fillmore Marketplace Associates and Safeway Stores Inc., for purposes of allowing Fire Department emergency vehicles to enter and exit a proposed low-income housing development.

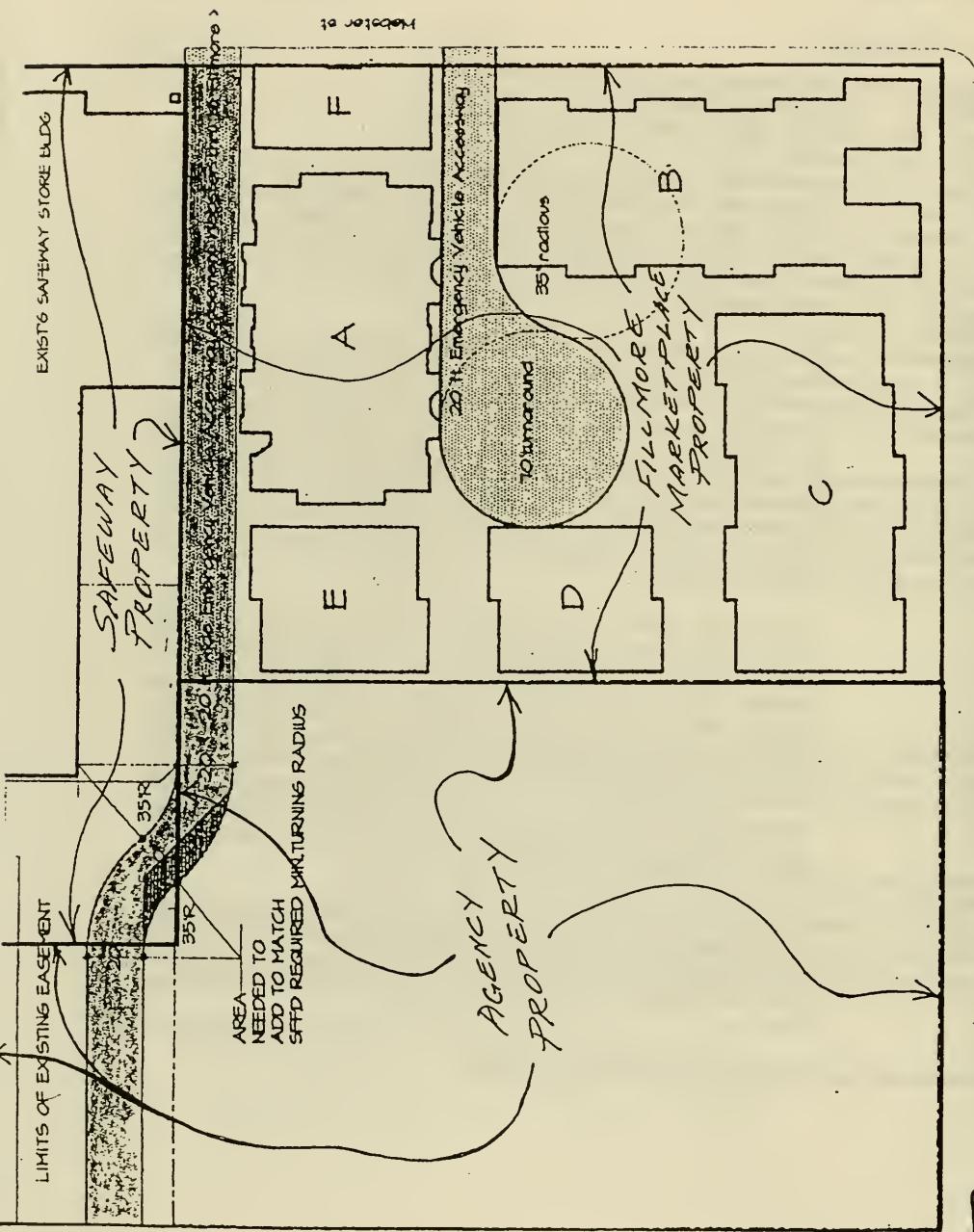
Description: The proposed resolution would authorize the Director of Property to accept the rights to an easement to be used for Fire Department emergency vehicle access purposes from the Redevelopment Agency, Fillmore Marketplace Associates and Safeway Stores Inc., at no cost to the City. The easement consists of land owned jointly by the Redevelopment Agency, Fillmore Marketplace Associates and Safeway. As such, in order for the City to access this easement area for public purposes, the City must have the authorization of the joint property owners.

The Real Estate Department advises that Fillmore Marketplace Associates intends to construct a 120 unit low-income apartment complex between Fillmore and Webster Streets. The development will consist of a semi-subterranean garage with five three-story buildings and one seven-story building on a podium above the garage. In connection with the proposed development, the City's Fire Department requires, for fire fighting purposes, an easement for emergency vehicle access. The easement would be a 20 foot wide roadway area and will provide a continuous path linking Webster Street with Fillmore Street (see Attachment).

The DPW reports that the emergency vehicles passing over the utilities located within the proposed easement area will not harm the integrity of the utilities, which include two water lines, PG&E gas and electricity lines and a Pacific Telephone line.

Recommendation: Approve the proposed resolution.

EXHIBIT "A"



MAP No. 2

① SITE PLAN
20 ft Emergency Vehicle Accessory Conceptual Study
Hillmore Marketplace Apartments
San Francisco CA

SCALE 1"=50'
May 14 1985
Braden Drown Inc. Architects

Item 4 - File 34-93-7

Note: This item was transferred from the Housing and Land Use Committee as it was determined to have a fiscal impact on the City.

Department: Department of Public Works (DPW)
Department of Parking and Traffic (DPT)
Department of City Planning

Item: Ordinance amending Ordinance No. 1061 entitled "Regulating the Width of Sidewalk" by adding Section 1514 changing the official widths of sidewalk from 11.04 feet to 21.0 feet on the southwesterly side of Fourth Street between Mission and Minna Streets; and making findings pursuant to City Planning Code Section 101.1.

Description: The proposed ordinance would change the official sidewalk width on the southwesterly side of Fourth Street between Mission and Minna Streets to 21.0 feet, an increase of 9.96 feet or 90 percent wider than the current 11.04 feet.

According to the proposed ordinance, the Department of City Planning has declared that the above-described change of official sidewalk width is consistent with the Eight Priority Policies of City Planning Code Section 101.1.

Comments: 1. According to Mr. Kevin Hagerty of DPT, the proposed ordinance would authorize Cahill Contractors Inc. to legally widen the sidewalk 9.96 feet, from 11.04 feet to 21.0 feet at the southwesterly side of Fourth Street between Mission and Minna Streets, as part of the City-owned Fifth and Mission Parking Garage expansion and seismic retrofitting project. The widening of the sidewalk was a requirement mandated by the Department of City Planning as part of their approval of the entire expansion and seismic retrofitting project, according to Mr. Hagerty. The expansion of the Fifth and Mission Garage will include the addition of two floors of parking. This will result in an increase of approximately 840 parking spaces, increasing the existing total of 1,774 parking spaces to a total of 2,614.

2. The City-owned Fifth and Mission Garage is leased to the Downtown Parking Corporation which is a non-profit corporation formed for the purpose of financing the garage's construction. Mr. Hagerty advises that the widening of the sidewalk, which is estimated to cost \$57,220, will be funded through Downtown Parking Corporation Revenue Bonds which have been issued for the garage expansion and seismic retrofitting project.

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3. Mr. Hagerty also advises that because of delays with the permit process at the DPW, legislation actually authorizing the width of the sidewalk to be changed from 11.04 feet to 21.0 feet has not been submitted before the Board of Supervisors until now.

Recommendation: Approve the proposed ordinance.

Item 5 - File 101-93-34

Department: Public Utilities Commission (PUC)
Water Department
Hetch Hatchy

Item: Supplemental appropriation ordinance for \$675,000 for Water Department programmatic project (Pleasanton Property Development Plan) and rescinding \$675,000 from other Hetch Hatchy non-personal services (environmental mitigation) for fiscal year 1993-94.

Amount: \$675,000

Source of Funds: Hetch Hatchy Operating Fund

Description: The proposed ordinance would appropriate \$675,000 to the Water Department to fund additional planning and related City activities for the Pleasanton Land Project. The Pleasanton Land Project is approximately 520.7 acres of land owned by the San Francisco Water Department, that has been declared as surplus to the Water Department's needs. This land is located immediately adjacent to the City of Pleasanton near Interstate Highway 680 and Bernal Avenue, in the unincorporated area of Alameda County. The land is currently zoned as agricultural land.

In 1988, a joint committee of the PUC and the City of Pleasanton selected a contractor, The Planning Collaborative, Inc., to complete a Specific Plan for the Pleasanton property. The Specific Plan would identify the specific uses of the land and establish the zoning (allowable uses) for each subject parcel. A Concept Plan was completed in November, 1990, which conceptually identified the uses for the Pleasanton property.

After numerous delays, extensive reviews by a Citizen's Review Committee, composed of citizens from the City of Pleasanton, occurred from February, 1992 through March, 1993. In March, 1993, the City of San Francisco, through the PUC, together with the Pleasanton Planning Department and The Planning Collaborative, Inc. presented the Pleasanton City Council with a Preferred Plan. The Preferred Plan, which is a precursor to the Specific Plan, establishes the criteria for the Specific Plan (i.e., noise, traffic, flood control, etc.). At the March, 1993 meeting, the Pleasanton City Council did not approve the Preferred Plan.

The Preferred Plan includes approximately 3,000 units of housing surrounding a golf course, with 750,000 square feet of office space and 200,000 square feet for a commercial center. The housing would be comprised of both single family units and multi-unit developments.

Based on a 1989 study by the Economic and Planning Systems consultants, the Pleasanton Land Project is anticipated to generate \$319 million of revenue to the City of San Francisco over the projected 15-year build-out period. This estimate is based on achieving a long-term revenue stream to the City by selling only the single-family residences and leasing the remaining multi-unit residences, office space, commercial center and golf course. The estimated \$319 million, after 15 years assumes (a) \$133 million from the sale of the single-family residences; (b) \$88 million from the lease revenues; and (c) \$98 million value of the land and development after 15 years.

Mr. Bob Vasconcellos of the Water Department reports that the first five years of the project should generate approximately \$22 million to \$27 million of revenue to the City. This five-year projection assumes total revenues of approximately \$72 million (\$60 million from the sale of single family residences plus \$12 million from leases), of which \$45 million to \$50 million would be used to complete construction on the remaining development.

The proposed supplemental appropriation would include \$500,000 for The Planning Collaborative, Inc. to complete the Specific Plan and environmental review of the project by finalizing the technical aspects of the Plan, determining the feasibility of the changes resulting from the citizen review process and updating the disposition strategy. The disposition strategy would identify what to do with the various parcels of land (i.e., sell, lease, etc.) and the timing of such disposition. The proposed supplemental appropriation would also include \$75,000 for PUC staff work with the City Attorney's Office and other City departments to develop alternative strategies for continued development of the property, including obtaining a development partner and potential means of financing the project. In addition, the proposed supplemental appropriation includes \$100,000 for development fees.

Comments:

1. Mr. Vasconcellos reports that in addition to the proposed requested \$675,000 supplemental appropriation, additional consultant services, City Attorney costs and development fees of \$317,000 for the Pleasanton Land Project will also be requested in the 1994-95 budget, for a total of \$992,000, as follows:

	<u>Proposed Fiscal Year 1993-94 Supplemental Appropriation</u>	<u>Fiscal Year 1994-95</u>
The Planning Collaborative, Inc.	\$500,000	\$167,000
City Attorney	75,000	50,000
Development Fees	<u>100,000</u>	<u>100,000</u>
Total	\$675,000	\$317,000
Total for Two Fiscal Years		\$992,000

2. Ms. Noreen Ambrose of the City Attorney's Office reports that the City Attorney fees, totalling \$125,000, are to cover the 12-month period from approximately November, 1993 through October, 1994. The City Attorney estimates approximately \$60,000 for .30 FTE Land Use Division Attorney providing advice, drafting findings and approving the necessary documents, as necessary regarding compliance with the California Environmental Quality Act (CEQA), Government Code and local requirements for Specific Plan and zoning amendments, Local Agency Formation Commission (LAFCO) and to assist in negotiations and to draft the Development Agreement. An additional \$40,000 for .20 FTE Real Estate and Finance Division Attorney fees is projected for advising the PUC on options regarding disposition and development strategies, availability of financing mechanisms for capital improvements and transfer of development rights and other real estate transactional issues. Another \$25,000 is included in the City Attorney estimates because of the high risk of litigation by the City of Pleasanton. Of the total \$125,000 estimate, the City Attorney projects that 60 percent of the work, or \$75,000 will be needed this fiscal year, and is included in the proposed supplemental request.

3. The development fees total \$200,000, of which \$100,000 is included in the proposed supplemental appropriation. As of the writing of this report, the Water Department cannot provide specific details regarding these funds. Therefore, the Budget Analyst recommends that these funds be reserved pending the availability of additional details from the Department.

4. As reflected above, the Water Department wishes to increase The Planning Collaborative, Inc. contract by a total of \$667,000, with \$500,000 funded by this proposed supplemental appropriation and the remaining \$167,000 to be requested in the fiscal year 1994-95 Water Department budget. This \$667,000 would be to complete the Specific Plan and the final Environmental Impact Report (EIR) for the Pleasanton Land Project. However, the Budget Analyst notes that in March, 1987, the Board of Supervisors approved Ordinance No. 104-87 which appropriated \$375,000 to the City's Water Department to formulate, in cooperation with the City of Pleasanton, a Specific Plan for development and a draft EIR for the Pleasanton Land Project.

5. Subsequent to the appropriation of \$375,000 for the Specific Plan and draft EIR, the Board of Supervisors adopted Ordinance No. 200-88 in May, 1988 approving the sale of 26.9 acres of the original 547.6 acres of the Pleasanton Land Project to the Pleasanton School District for \$3,125,000 or approximately \$116,171 per acre. The sale of this property to the Pleasanton School District resulted in the current remaining balance of 520.7 acres of property within the Pleasanton Land Project. In May, 1989, \$100,000 of additional funds were transferred from the Water Department's Capital Improvement Programs to supplement the previous \$375,000 funding for the Specific Plan and draft EIR and to pay for outside legal counsel associated with the sale of the land to the Pleasanton School District. At that time, in response to inquiries by the Budget Analyst's Office, the PUC Planning staff indicated that no additional funds, beyond the \$475,000 (\$375,000 plus \$100,000) already appropriated, would be needed to complete the Specific Plan and draft EIR.

6. However, there have already been three amendments to the original agreement with The Planning Collaborative, Inc, each of which increased the funding to the consultants. Furthermore, there is a fourth amendment to

the agreement currently pending, subject to the approval of the proposed supplemental appropriation, which would provide additional funds to the consultant. The original agreement and the four amendments are as follows:

- (a) on June 1, 1988 the City entered into the original agreement for \$323,000 of professional consulting services with The Planning Collaborative, Inc. with a completion date of June, 1990;
- (b) on April 23, 1991, the City, (through the PUC) approved the first amendment to the agreement, which increased the amount by \$240,000 (for a total of \$563,000) and extended the completion date until April, 1995;
- (c) on April 28, 1992, the City, (through the PUC) approved the second amendment to the agreement which further increased the agreement by \$625,058 (for a total of \$1,188,058) and further extended the completion date of the agreement until April, 1996;
- (d) on November 24, 1992, the City (through the PUC) approved the third amendment to the agreement which further increased the amount by \$240,000 (for a total of \$1,428,058) to include planning and environmental issues and citizen review processes;
- (e) the proposed fourth amendment would increase the agreement by \$667,000 (for a total of \$2,095,058) with \$500,000 to be added to the project as part of the proposed supplemental appropriation and the remaining \$167,000 to be appropriated through the fiscal year 1994-95 budget process.

The fourth amendment states that services will be billed on an hourly rate basis, as follows:

Principal	\$135/Hour
Project Associate	\$70-80/Hour
Professional Staff	\$45-65/Hour
Technical/Clerical Staff	\$25-45/Hour

7. The attached identifies the Major Project Deliverables and Schedule for the proposed work to be completed by The Planning Collaborative, Inc. According to this schedule, work on the Specific Plan and the EIR began on September 1, 1993. Mr. Vasconcellos reports that there are existing funds in The Planning Collaborative, Inc. contract to extend through approximately January 31,

1994. The proposed supplemental appropriation would fund the continued activities from February 1, 1994 through June 30, 1994. The activities to be completed from July 1, 1994 through September 30, 1994 would be funded with monies in the Water Department's 1994-95 budget.

8. Given the original contract and these four amendments, the total cost of the services of The Planning Collaborative, Inc. to complete the Specific Plan and the Environmental Impact Report (EIR) would be \$2,095,058. Mr. Vasconcellos reports that, although there may be additional work that The Planning Collaborative, Inc. may be involved in at a later stage involving the development agreement, this fourth amendment should be the last amendment for consultant services regarding the Specific Plan and related EIR activities.

9. The Budget Analyst notes that the \$2,095,058 cost for the consultant does not include the costs of the City Attorney or other City department staff costs that have been incurred, to date, on this project. As of the writing of this report, the PUC could not identify all of the costs incurred, to date, on the Pleasanton Land Project. As reported above, by the Budget Analyst in 1988, the PUC Planning staff indicated that no additional funds, beyond the \$475,000 already appropriated, would be needed to complete the Specific Plan and the draft EIR. The Budget Analyst notes that, to date, the Specific Plan and the draft EIR are still not completed. Mr. Vasconcellos reports that the additional costs have been incurred because of numerous delays by the City of Pleasanton.

10. Furthermore, the Budget Analyst notes that none of the amendments to the contract with The Planning Collaborative, Inc. were reviewed or approved by the Board of Supervisors. Rather, according to Mr. Vasconcellos, these amendments were approved by the PUC and the necessary funds were transferred from within the PUC's capital budget appropriations. Although there is no specific requirement for Board of Supervisors approval, given the scope and magnitude of the Pleasanton Land Project, the Budget Analyst recommends that any future amendments to this contract or additional funds to be expended on this Project be submitted to the Board of Supervisors for review and approval. Mr. Vasconcellos reports that any subsequent action to sell or lease the remaining 520.7 acres of surplus property would require the approval of the Board of Supervisors.

11. Mr. Vasconcellos reports that after the Specific Plan and final EIR are completed, a development agreement will need to be negotiated and approved. A development agreement is the contract with the local government entity that gives the authority to actually develop the property. According to Mr. Vasconcellos, once the development agreement is approved, the entitlement process, including completion of the tentative map and final maps are required, before any building permits can be issued. After the building permits are issued, construction on the project can begin.
12. The proposed \$675,000 supplemental appropriation would be transferred from a \$2.7 million existing operating appropriation in Other Non-Personal Services for environmental mitigation for Hetch Hetchy. According to a November 3, 1993 memorandum from the PUC, when the fiscal year 1993-94 budget was adopted, PUC estimated that those funds would be needed based on a State Water Resources Control Board (SWRCB) decision. However, the Governor has recently rescinded that SWRCB decision. To date, the PUC reports that they have not been assessed any environmental mitigation charges and PUC does not anticipate any charges this fiscal year. Although the PUC cannot provide any written documentation that the charges have been rescinded, the PUC is indicating that the entire \$2.7 million budgeted for such environmental mitigation for fiscal year 1993-94 can be used for other Department needs.

Recommendations:

1. The PUC should identify and compile all of the costs that the City has incurred, to date, on the Pleasanton Land Project, and submit such information to the Board of Supervisors.
2. Given the scope and magnitude of the Pleasanton Land Project, any future amendments to The Planning Collaborative, Inc. contract or any additional funds to be expended on this Project should be submitted to the Board of Supervisors for review and approval.
3. Amend the proposed ordinance to reserve \$100,000 of the requested \$675,000 for development fees, pending the availability of additional details regarding these funds.
4. Approval of the proposed supplemental appropriation ordinance, as amended, is a policy matter for the Board of Supervisors.

Attachment B - MAJOR PROJECT DELIVERABLES AND SCHEDULE**SAN FRANCISCO WATER DEPARTMENT BERNAL AVENUE PROPERTY
SPECIFIC PLAN AND EIR**

Months Completed	Products
September 1, 1993 - January 31, 1994	<ol style="list-style-type: none">1. Development Master Plan2. Facilities Plan3. Draft Specific Plan4. Draft EIR
February 1, 1994 - April 15, 1994	<ol style="list-style-type: none">1. Draft EIR Review and Comment Period2. Draft Specific Plan
April 15, 1994 - June 30, 1994	<ol style="list-style-type: none">1. Final EIR Comments and Responses
July 1, 1994 - September 30, 1994	<ol style="list-style-type: none">1. Public Hearings for Specific Plan Approval and EIR Certification Process* <p>* - Subject to Local Public Hearing Schedules</p>

Item 6 - File 101-93-33

Department: Port of San Francisco

Item: Supplemental Appropriation Ordinance appropriating \$2,325,362 for a capital improvement project to the Port.

Amount: \$2,325,362

Source of Funds:	1971 Harbor Bond Fund	\$1,932,900
	5th Seawall State Bond Fund	54,726
	Fire Insurance Proceeds*	311,065
	Operating Fund Surplus	<u>26.671</u>
	Total	\$2,325,362

*These funds represent a fire insurance payment to the Port for Pier's 30 and 32 which were burned in 1984.

Description: The Port is proposing to implement a Tunnel Project which involves increasing the height clearance in two tunnels located in the Bayview Hunters Point area, to allow for the movement of double stacked rail cars and the improvement of the existing tracks within the tunnels. According to the Port, the proposed Tunnel Project will improve access from the Port's container terminals to the rail lines. The Port advises that currently the facilities at the North and South Terminals are underutilized despite substantial infrastructure investments because double stacked rail car service of shipping containers is impeded by the insufficient height clearance of the two tunnels. The Port reports that the specific structural improvements to the two tunnels would include (1) the installation of a third rail track between the two existing tracks to increase the height clearance in the tunnels (see Attachment) and (2) the installation of a computerized switching system to provide required headway for passenger trains in order to avoid conflicts between freight and commuter service.

The Port advises that the total cost of the Tunnel Project is \$11,304,362. Of the \$11,304,362, \$8,979,000 or approximately 80 percent, would be paid for by Federal grant funds previously approved by the Board of Supervisors (File 144-93-5). The remaining \$2,325,362 of the total project cost is the subject of this supplemental appropriation request. Of the \$2,325,362 being requested, \$1,664,750 represents matching funds for the Federal grant and \$660,612 represents project costs not covered by the Federal grant. These latter costs include planning and engineering costs, project management costs, and construction costs and are not funded by the Federal grant because they represent costs which were incurred prior to the

grant being awarded (i. e., planning and preliminary engineering) or costs that were not anticipated at the time the grant was applied for (i. e., additional construction costs). The Port's proposed expenditure of the \$2,325,362 is detailed below:

Planning and Environmental Work

Economic/Air Quality Study (completed)	
(368 hrs. @ an average of \$95 per hr.)	\$34,980
Regulatory and Financial Issues (completed)	
(\$12,000 consultant fee plus \$19,787 based on hourly rates ranging from \$140 to \$200)	31,787
Rail Consultant	25,000
Subtotal Planning and Environment	\$91,767

Project Management

Utilities Engineering Bureau (UEB)	42,421
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Engineering and Construction

Preliminary Engineering (completed)	327,000
Final Engineering	
(575 hrs @ \$115 per hr)	66,200
Construction	1,797.974
Subtotal Engineering and Construction	\$2,191,174
Total	\$2,325,362

Comments:

1. Ms. Veronica Sanchez of the Port advises that the Economic/Air Quality Study (\$34,980), the Regulatory and Financial Issues Study (\$31,787) have been completed by outside consultants using funds from the Department's Water Fund Plan Account and two operating budget accounts. The total cost of these two studies is \$66,767. Therefore, according to Ms. Sanchez, \$66,767 of the proposed supplemental would be used to reimburse these accounts. Ms. Sanchez reports that the Preliminary Engineering work (\$327,000), which was performed by Southern Pacific under a contract with Svedrup Engineering Consulting, has not, as yet, been paid for.

2. Ms. Sanchez reports that the Economic/Air Quality study was performed by Economic Planning System/Vickerman, Zachary and Miller, a Joint Venture firm. Economic. Neither of the Joint Venture firms is an MBE or a WBE. Ms. Sanchez advises that the law firm of Garvey, Shubert performed the Regulatory and Financial Issues Study. Garvey, Shubert is neither an MBE or WBE firm. According to Ms. Sanchez, all of the above-noted contractors, with the exception of Garvey, Shubert, were selected through the Port's competitive bid

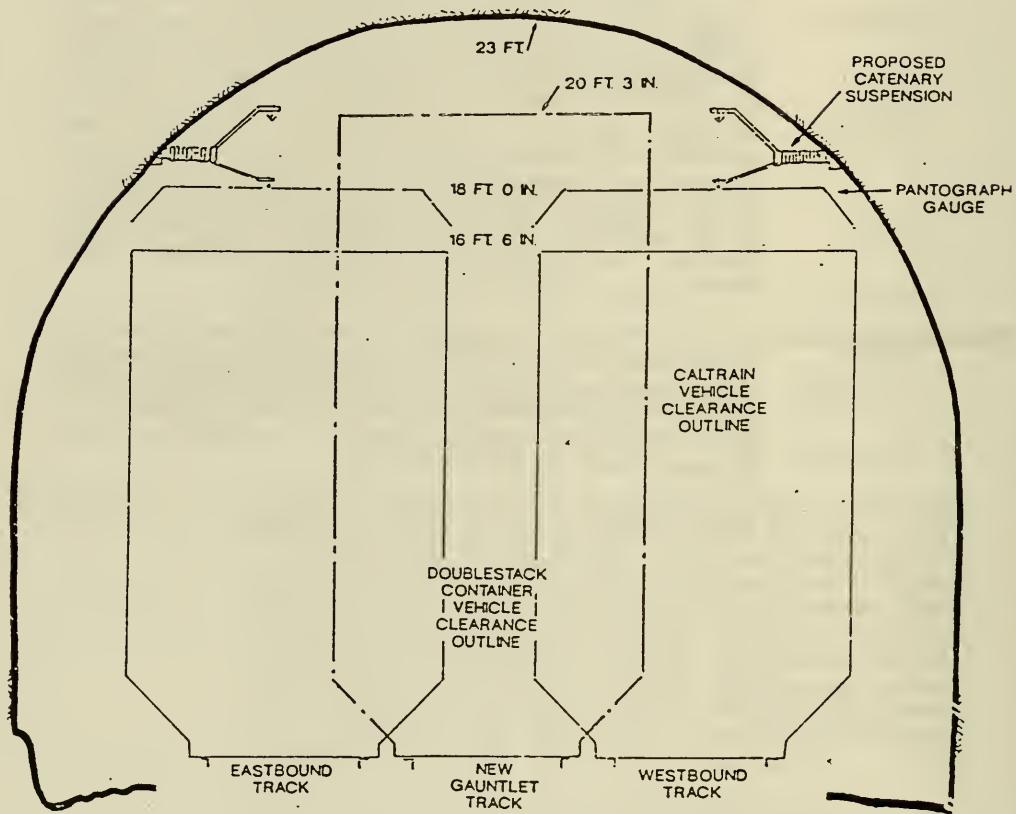
process. Ms. Sanchez advises that the law firm of Garvey, Shubert is on an on-going retainer with the Port.

3 Ms. Sanchez advises that the Port has selected Svedrup Engineering Consulting to provide Final Engineering services. Svedrup Engineering Consulting is neither an MBE or a WBE firm. Ms. Sanchez reports that the Port has not, as yet, selected contractors for the Rail Consultant services (\$25,000) or for Construction (\$1,797,974). Additionally, the Port is unable to provide contract cost details on the Southern Pacific contract for Preliminary Engineering (\$327,000). Therefore, the \$1,932,900 for the 1971 Harbor Improvements Bond Fund plus \$217,074 of the Fire Insurance Proceeds for a total of \$2,149,974 should be placed on reserved pending (1) the selection of the contractors for the Rail Consultant and for Construction, the determination of the MBE/WBE status of the contractors and the contract cost details including hourly rates for the engineering contractors and (2) the submission of the Southern Pacific contract for Preliminary Engineering cost details.

Recommendations: 1 Amend the proposed ordinance to reserve \$2,149,974 pending (1) the selection of the Rail Consultant and the Construction contractors, the determination of the MBE/WBE status of the contractors and the contract cost details including hourly rates for the engineering contractors and (2) the submission of the Southern Pacific contract cost details.

2. Approve the proposed ordinance, as amended.

FIGURE 5-4
TYPICAL TUNNEL CROSS SECTION-TUNNEL Nos. 3 and 4



Items 7, 8 and 9 - Files 127-93-22; 97-93-58; and 307-93-1

Note: These items were continued from the November 17, 1993 Budget Committee Meeting. Refer to the separate Joint Report of the Chief Administrative Officer, the Controller, and the Budget Analyst.

Items: The proposed legislation includes the following:

- An ordinance amending Part III of the Municipal Code to enact a new Article 10A to impose a 911 Emergency Response Fee on telephone subscribers to finance 911 communication system consolidation and improvements and amending Article 10 to place a portion of Utility Users' Tax proceeds in a new special fund to be designated as the 911 Emergency Response Fund. (File 127-93-22; referred to in this report as the "fee ordinance")
- An ordinance amending Chapter 10 of the San Francisco Administrative Code by adding Section 10.204 thereof to establish a new special fund to be designated as the 911 Emergency Response Fund. (File 97-93-58)
- A resolution authorizing and directing the Chief Administrative Officer to take all steps necessary to construct and equip a 911 Communications Facility in consultation with the Mayor's Office of Emergency Services.(File 307-93-1)

Description: 1. The proposed fee ordinance would create alternative funding sources in order to finance construction and equipment acquisition for a new 911 Communications System facility. Total project costs are defined by the fee ordinance as an amount not to exceed \$49.0 million. Funding would be from the establishment of a monthly fee of \$0.50 per local telephone access line including cellular phones (the '911 Emergency Response Fee'). This fee would produce approximately \$4.5 million annually in new City revenues.

The proposed new fee is intended to recover all costs related to the benefits the improved 911 Communications System will provide to non-exempt telephone subscribers. The fee would sunset after accumulating 82.1% of proposed project costs. Since some telephone service subscribers, such as residential 'lifeline' customers, will be exempt from the fee, a portion of total project costs would be paid from some source of revenue other than the proposed 911 Emergency Response Fee. Using the fee ordinance's proposed total maximum project cost of \$49.0 million, the portion of total

maximum project cost of \$49.0 million, the portion of total project costs that, by legal definition, can be funded from 911 Emergency Response Fee revenues would be approximately \$40.2 million (an estimated 82.1 percent of the total project cost of \$49.0 million) the amount designated as *eligible project costs* in the fee ordinance. The proposed monthly \$0.50 911 Emergency Response Fee will sunset in the year 2003 based on the 107 month estimated time period it will take to accumulate the eligible project costs of approximately \$40.2 million.

2. The fee ordinance also provides that the 911 Emergency Response Fee will sunset should the residential Utility Users' Tax be reinstated. Residential customers have been exempt from paying the Utility Users' tax since 1987. A recent court decision, now under appeal by the City, overturned the exemption for residential customers. If the City loses the appeal, a portion of the new Utility Users' Tax revenue (equal to \$6.5 million annually with provisions for future escalation) will be substituted for the 911 Emergency Response Fee.
3. The fee ordinance authorizes the Controller to end fee collections when an amount equal to eligible project costs (approximately \$40.2 million) are realized from the fee. This date could vary, under the proposed fee ordinance, depending on actual future fee revenues collected by the City. Section 756 (d) of the fee ordinance further provides that the Board of Supervisors can extend the period the fee can be collected upon a certification by the Controller that actual fee collections or project costs vary significantly from original estimates.
4. A new 911 Emergency Response Fund would be created by the proposed ordinance in file 97-93-58. If the source of funds for annual contribution to the special fund turns out to be the 911 Emergency Response Fee, such revenues will only be for the purpose of financing 911 communication system improvement eligible project costs. Since the fee will sunset after the total eligible project cost is contributed to the special fund, should the source of funds for the 911 Emergency Response Fund become Utility Users' Tax proceeds, such Utility Users' Tax revenues can be used for ongoing operations and maintenance of the 911 communications facility after improvement project costs have been met. Appropriations from the special fund shall be subject to the budget and fiscal provisions of the Charter.

5. The proposed resolution (File 307-93-1) would authorize and direct the Chief Administrative Officer to take steps necessary to construct and equip the new 911 Communications Center. The Communications Center will consolidate 911 telephone services, communications and dispatch functions now dispersed among the Police Department, the Fire Department and the Department of Public Health - Paramedic Division.

Background

A number of management audits of the 911 Communications System have been conducted by the City. The Budget Analyst first conducted a management audit of the 911 Communication System in 1987. A subsequent joint management audit by the Controller's Internal Audit Section and the Budget Analyst was performed in 1991. A review of the status of implementing the 1991 report recommendations was conducted by the Budget Analyst and the Controller in 1992.

The latest management audit report, prepared by the Mayor's Office of Emergency Services, was issued in August, 1993. That report on the 911 Communications System concluded that the management information system in the San Francisco 911 Dispatch Center is inadequate to the tasks required. The report recommended that the City obtain new hardware and software, including a stand-alone computer and a 'state of the industry' Computer Aided Dispatch (CAD) system. The report also concluded that the 911 Dispatch Center is not located in a seismically safe facility, and no fully equipped alternative site is available in the event that the primary system is disabled. The report recommended that the City identify a seismically safe alternative site in the event the primary center is disabled.

The Mayor's Office of Emergency Services further concluded, after a followup survey of municipalities with modernized 911 communications systems, that the most efficient and effective systems feature a combined dispatch system for police, fire and emergency medical services.

**Proposed Facility
and Equipment;
Estimated Total
Project Costs and
Eligible Project
Costs:**

The proposed project to be financed by this fee would consolidate the current Police Department 911 Dispatch Center with the secondary dispatch centers operated by the Fire Department and the Department of Public Health Paramedic Division. A new fireproof, seismically safe facility is proposed to permit co-location of the three dispatch operations.

New computer hardware and software would be acquired for "stand alone" operation of the Computer Aided Dispatch (CAD) system and the Police Department's Records Management System. The new system would be dedicated to the purpose of supporting consolidated emergency response communications and correct the existing difficulties arising from the sharing of the Hall of Justice mainframe computer between the Police Department 911 Dispatch Center and the Court Management System. The new system would also remedy the deficiencies of the Fire Department's current CAD system. Some costs would also be incurred to make immediate needed improvements to the Fire Department's CAD system as an interim solution to their existing system deficiencies.

Further elements of the improvement project include:

- a 911 switch and call directing equipment for the new Dispatch Center;
- radio communication dispatch stations and antennas to relay calls from the CAD system to responding emergency vehicles;
- public safety "hard wire" costs for direct communication to Fire Stations, the fire alarm ("red box") system and the Mayor's Emergency Telephone System;
- "on board" electronics and computer terminals for emergency vehicles.

The total preliminary project specifications and development costs have been developed by an interdepartmental team of representatives from the Police Department, the Fire Department, the Department of Public Health Paramedic Division, and the Mayor's Office of Emergency Services, operating under the direction of the Chief Administrative Officer.

Current provisional estimates of the total project costs, including construction, hardware and software acquisition and installation, and emergency vehicle electronics amount to between \$45.4 million and \$46.1 million including project development and management costs. Financing costs, for such items as debt issuance and annual debt service are not included in this project cost estimate.

Project Costs are defined in the proposed legislation as any costs of:

acquiring land on which to locate a new 911 Communication System facility, acquiring and installing computerized call delivery processing and dispatch equipment and software, and/or any other acquisition or construction necessary to combine 911 communication staff under a single uniform command structure and to house 911 communication system equipment and staff in a new seismically safe and fireproof facility, including any debt service payments related thereto.

For purposes of establishing and collecting the Emergency Response Fee, the proposed fee ordinance states that the Board of Supervisors estimates that Project Costs, as defined by the proposed legislation, will equal \$49.0 million. In defining this estimate, the proposed fee ordinance also states that the estimate is not intended to limit the scope of the project that may be financed from other revenue sources.

The proposed legislation defines *Eligible Project Costs* as:

...the portion of project costs reflecting the benefit estimated to be provided by the project to telephone subscribers who are required to pay the fee imposed by the provisions of this Article on access lines subject to the fee. Eligible Project Costs shall not include Exempt Project Costs or any expenditures which are reimbursed in accordance with the California Emergency Telephone Users Surcharge Act or are reimbursed by any other public entity.

The term *Exempt Project Costs* in the above definition means:

...the portion of project costs reflecting the benefits estimated to be provided by the project to telephone subscribers who are exempted from the fee by Section 754 of this Article or are otherwise not required to pay any fee imposed by the provisions of this Article.

Total revenue to be collected from imposition of this fee is reduced due to the effect of exempting certain telephone subscribers. In accordance with the legal definitions in the proposed legislation for *Eligible Project Costs* and *Exempt Project Costs*, the portion of defined Project Cost that can be

BOARD OF SUPERVISORS
BUDGET ANALYST

financed from proceeds collected through establishment of the Emergency Response Fee is approximately 82.1% as estimated in the next section of this report on fee revenues.

Fee Structure and Fee level; Exceptions, Exemptions and Fee Cap The proposed fee ordinance provides for a standard monthly fee for all telephone access lines of \$0.50 (\$6.00 annually). Some exceptions to this fee are provided for in the ordinance as described below.

Rate Adjustment for Trunk Line Services: The number of stations that can be served by a single trunk line (such as a private branch exchange or 'PBX') varies according to the needs of the specific customer. However, based on information received from Pacific Telesis and the California Public Utilities Commission, it is reasonable to assume that, on average, trunk lines provide service to five times as many stations as are served by a single access line. Therefore, the proposed fee ordinance determines that it is reasonable to charge a trunk line fee at a rate equal to five times the rate for standard access lines (\$2.50 per month, \$30 annually).

Exemptions: Subscribers to *Lifeline* service and coin-operated telephones would be exempted from the proposed fee in order to ensure that the 911 telephone service is as available as possible to low-income subscribers. In addition, taxpayer supported facilities such as government operations, hospitals, and educational institutions would also be exempt from the proposed fee.

Telephone service suppliers are exempt from the fee since charging suppliers to provide telephone service would merely further increase costs for telephone subscribers.

Fee Cap: The proposed fee ordinance provides that businesses with a large number of telephone access lines would be disproportionately burdened by the fee in relation to the benefits such a business would receive from access to 911 communications services. Therefore, any business with telephone access lines numbering more than 1,667 would be limited to paying no more than \$10,000 annually in total fees.

In order to fairly allocate costs according to benefits received from the proposed 911 communications improvements, the costs associated with benefits to exempt subscribers should not be assumed by fee paying subscribers. Therefore, the proposed fee ordinance determines that the costs associated with exempt

subscribers should be recovered from another revenue source.

Estimated Fee Revenue; Revenue Decrease Due To Exemptions

The proposed fee level of \$0.50 per month per telephone access line and \$2.50 per month per trunk line, after accounting for the exemptions, results in a net annual estimated revenue of \$4,520,000, based on data provided by Pacific Telesis. Such data include the estimated number of telephone access lines by class of telephone subscriber (residence lines, business lines, cellular phones and pay phones). Pacific Telesis, the local telephone service provider, has provided counts of "line equivalents" which counts each trunk line as five telephone access lines, using their five to one estimate of the ratio of trunk lines to telephone stations.

The table below details the net annual revenue estimate.

Estimated Emergency Response Fee Annual Revenue

Type of Telephone Subscriber	No. of Telephone Access Line Equivalents	Gross Revenue From a \$.50 per month fee	Exempt Line Equivalents	Annual Revenue Reduction Due to Exemptions	Annual Revenue Reduction due to Annual Fee Cap	Estimated Revenue after Subtracting Exempt Lines
Residence Lines	380,000	\$2,280,000	78,000	(\$468,000)		\$1,812,000
Business, Cellular	533,500	3,201,000	55,000	(330,000)	(\$163,000)	2,708,000
Pay Phones	4,000	24,000	4,000	(24,000)		0
Total	917,500	\$5,505,000	137,000	(\$822,000)	(\$163,000)	\$4,520,000

Because future growth in the number of telephone access lines and cellular phones is highly uncertain, we have projected no escalation of annual revenues collected from this fee. Therefore, for purposes of this revenue estimate, we have assumed that annual revenues will remain "flat", at approximately \$4.52 million per year, during the estimated 107 month term the proposed fee would be collected (see below).

As shown in the table below, 82.11% (\$4,520,000 divided by \$5,505,000) of potential total fee revenue can be applied to the project due to the definitions of Eligible Project Costs and Exempt Project Costs specified in the proposed fee ordinance. Based on the proposed legislation's stipulated Project Costs of \$49.0 million, \$40,232,516 or 82.11% of that total can be financed by proceeds of the proposed 911 Emergency Response Fee. At the estimated annual net revenue from the fee of \$4.52 million, the term necessary to collect the fee would be approximately 107 months. The

**BOARD OF SUPERVISORS
BUDGET ANALYST**

proposed legislation provides that conversion costs incurred by telephone service suppliers, estimated by Pacific Telesis to amount to a one time cost of approximately \$240,000, are to be deducted from the fees collected.

<u>Revenue Recap</u>	<u>Estimated Net Annual Revenues</u>		<u>Total Revenue Target</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Total Potential Fee Revenue and Project Costs	\$5,505,000	100.00%	\$49,000,000	100.00%
Less Exemptions	<u>985,000</u>	<u>17.89%</u>	<u>8,767,484</u>	<u>17.89%</u>
Net Annual Revenue and Eligible Project Costs	\$4,520,000	82.11%	\$40,232,516	82.11%

The proposed legislation specifies that telephone service suppliers will begin collecting fees on September 1, 1994. Based on the estimated revenues discussed above, the fee would terminate on July 31, 2003 (after approximately 8.9 years). The proposed legislation gives the Controller of the City and County the discretion to amend the period of fee collection in accordance with actual revenues received in order to prevent collection of more revenue than can be applied to this project. Section 756 (d) of the fee ordinance further provides that the Board of Supervisors can extend the period the fee can be collected upon a certification by the Controller that actual fee collections or project costs vary significantly from original estimates.

Comments:

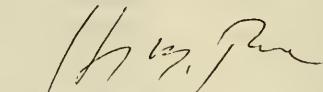
1. The proposed monthly 911 Emergency Response Fee which would generate an estimated \$4.5 million annually is to be used strictly for equipment and capital improvements. Remaining project costs, including all debt service costs, that cannot be supported by the proposed fee revenue (estimated at \$4.5 million annually) therefore must be funded from some other source which has not been identified in the proposed fee ordinance.
2. As previously noted, the proposed fee ordinance also provides that the 911 Emergency Response Fee will sunset should the residential Utility Users' Tax be reinstated. If the Utility Users' Tax is again collected from residential customers, the City will gain an estimated \$21.8 million in annual General Fund revenue. Instead of using the 911 Emergency Response Fee as a revenue source for constructing and equipping the new 911 Communications System facility, the proposed fee ordinance provides that a

sum equal to \$6.5 million annually from this source will be deposited in the 911 Emergency Fund to finance the project. The \$6.5 million can be used for future operating costs after financing equipment acquisition and capital improvements.

3. This potential annual contribution of Utility User Tax proceeds to the special fund would begin at \$6.5 million annually effective when and if the City loses the appeal on residential Utility Users' Tax exemptions. The annual contribution would be adjusted by the Controller in accordance with the annual percentage increase in aggregate City Salaries. However, total annual proceeds dedicated to the 911 Emergency Fund shall not exceed the annual Utility Users' tax revenue collected based on rates in effect and utility usage taxable prior to May, 1978. This amount is equal to approximately \$34.3 million annually according to computations of the Controller. The Mayor's budget office estimated that total operating and maintenance costs for current Communications Dispatch operations of the Police and Fire Department alone (not including the Department of Public Health's Paramedic Division) is approximately \$13.8 million annually. Therefore, the \$6.5 million may be inadequate to meet future operating expenditures depending on what costs are to be covered from the special fund after completion of the new 911 Communications Center.

4. The CAO's Office is unable to specify a financing plan, which would provide for all of the needed funding for the 911 Communications System Improvement project, until the 911 system improvement project is defined in greater detail. Consequently, future debt service costs cannot be estimated at this time. Such costs will depend on when expenditures will be required for actual construction and equipment acquisition, which will determine when debt financing instruments will need to be sold, and the time period over which such debt will be financed.

Recommendation Approval of the two proposed ordinances and the proposed resolution are policy matters for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Migden
Supervisor Hsieh
President Alioto
Supervisor Bierman
Supervisor Conroy
Supervisor Hallinan
Supervisor Kaufman
Supervisor Kennedy
Supervisor Leal
Supervisor Maher
Supervisor Shelley
Clerk of the Board
Chief Administrative Officer
Controller
Teresa Serata
Robert Oakes
Ted Lakey

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Joint

CALENDAR Action Talk -

**JOINT BUDGET/GOVERNMENT EFFICIENCY & LABOR COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO**

WEDNESDAY, DECEMBER 1, 1993 → 1:30 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS MIGDEN, HALLINAN, HSIEH, KAUFMAN, ALIOTO,
LEAL

CLERK: KAY GULBENGAY

1. File 93-93-14. [MOU - Agreement to Extend] Resolution ratifying addendum to Memorandum of Understanding with San Francisco Firefighters Union, Local 798. (Office of Mayor's Employee Relations Division)

ACTION: Hearing held. Continued to December 15, 1993 meeting.

2. File 93-93-14.1. [Addendum to MOU - Firefighters] Resolution implementing an amendment to the provisions of the agreement between San Francisco Firefighters Union, Local 798 and City and County of San Francisco pursuant to Charter Section 8.590 et seq., effective July 1, 1993. (Office of Mayor's Employee Relations Division)

ACTION: Hearing held. Continued to December 15, 1993 meeting.

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BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

November 29, 1993

TO: Joint Budget/Government Efficiency and Labor Committee

FROM: Budget Analyst

SUBJECT: December 1, 1993 Joint Budget/Government Efficiency and Labor Committee Meeting

Items 1 and 2 - Files 93-93-14 and 93-93-14.1

Department: Mayor's Office

Items: 93-93-14 -- Resolution ratifying an addendum to Memorandum of Understanding (MOU) with the San Francisco Firefighters Union, Local 798.

93-93-14.1 -- Ordinance implementing an amendment to the provisions of the agreement between San Francisco Firefighters Union, Local 798 and the City and County of San Francisco pursuant to Charter Section 8.590 et seq, effective July 1, 1993.

Description: The proposed items would approve seven amendments to the MOU between the San Francisco Firefighters Union, Local 798 and the City and County of San Francisco. These items were prepared before the November, 1993 election and anticipated passage of certain Charter Amendments. However, the Charter Amendments were not approved. Therefore, those MOU amendments contingent upon approval of Charter Amendments are no longer applicable. The following is a description of the seven amendments to the MOU.

1. Holidays: Currently, uniformed personnel, who perform fire suppression duties on any of the City's official holidays, receive holiday pay at time and a half. In FY 1993-94 all members of the bargaining unit who perform fire suppression duties would receive compensatory time off at time and a half or 18 hours a day (fire suppression uniform personnel normally work 24 hours, but according to the MOU the basis for computing compensatory time off would be one-half day, 12 hours, at time and a half, or 18 hours) of such compensatory time off, instead of cash compensation for working the following six holidays: Martin Luther King's Birthday, President's Day, Labor Day, Columbus Day, Veteran's Day and Memorial Day or a total of 108 hours (6 Holidays at 18 hours per Holiday). There are currently 1,433 members of the San Francisco Firefighters Union, Local 798 who would receive compensatory time off instead of cash compensation holiday pay for the six holidays specified under the proposed MOU amendment.

In addition, uniformed Fire Department personnel who perform administrative functions and receive Staff Duty Assignment Pay as compensation for holidays would have their pay reduced by an amount equal to the six holidays for which the other members of the bargaining unit would receive compensatory time off. Currently, 26 members of the San Francisco Firefighters Union, Local 798 receive Staff Duty Assignment Pay.

Staff Duty Assignment Pay is a pro-rated increase in the salary of uniformed Fire Department personnel who perform administrative functions equal to the holiday overtime pay received by uniformed Fire Department personnel performing fire suppression duties. According to Chief Howard Slater of the Fire Department, the Staff Duty Assignment Pay was designed to maintain the same level of income for Fire Fighters assigned to administrative duties that they would receive for performing fire suppression duties.

Additional Costs or Savings Associated with the Proposed Compensatory Time Instead of Holiday Pay: The Fire Department estimates that the proposed compensatory time off instead of overtime pay for the bargaining unit members who work the six holidays would save approximately \$2.56 million in FY 1993-94. The Budget Analyst concurs with this estimate. However, there would be an offsetting cost if the Fire Department could not fully staff all Fire Stations when bargaining unit members take their compensatory time off. In that event, Firefighters paid at overtime rates would be used to staff Fire Stations because of

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Budget/Government Efficiency and Labor Committee
December 1, 1993 Joint Budget/Government Efficiency and Labor Committee Meeting

increased use of compensatory time off in the future, resulting in increased costs to the Fire Department. Because the uniformed personnel that receive the compensatory time off could take that time off at any time before the bargaining unit members' retirements, the costs would most likely occur over several fiscal years. Chief Slater has not estimated this cost.

However, the cost of taking compensatory time off (earned in FY 1993-94 or 1994-95) in future years is assumed to be higher, because salaries are anticipated to increase in future years.

2. Accumulation of Compensatory Time: The maximum amount of accumulated compensatory time would be increased by 108 hours from the current maximum compensatory time accumulated of 480 hours to 588 hours to reflect the proposed 108 hours of compensatory time described above. All of the proposed 108 hours of accumulated compensatory time would have to be used before retirement.

Additional Costs or Savings Associated with the Proposed Increased Accumulation of Compensatory Time: As described above, the cost associated with compensatory time has not been estimated by the Fire Department.

3. Vested Sick Leave Accumulation: Beginning July 1, 1993 through June 30, 1995 or for two years, members of this bargaining unit would receive vested sick leave accumulation for unused Sick Days (employees are allowed 13 Sick Days per year) according to the following formula:

Sick Days Used Per Year	Remaining Unused Sick Days	Vesting Percentage	Sick Days Vested
0	13	75%	9.75 (13 x 75%)
1-4	9-12	50%	4.5-6 (9-12 x 50%)
5-6	7-8	25%	1.75-2 (7-8 x 25%)

Vested sick leave means that the percent of sick leave time not used (as outlined above) will accrue to the employee in the form of monetary compensation when the employee separates from the Fire Department. If an employee uses seven or more sick days in one year, the employee will not vest the remaining unused sick days.

Memo to Budget/Government Efficiency and Labor Committee
December 1, 1993 Joint Budget/Government Efficiency and Labor Committee Meeting

The maximum ceiling for accumulation of sick leave days would be raised by 24 days from the current ceiling of 106 Sick Days to 130 Sick Days.

These bargaining unit members cannot currently vest their accumulated sick leave time.

Additional Costs or Savings Associated with the Proposed Vested Sick Leave Accumulation: Chief Slater reports that in FY 1992-93, 270 uniformed staff did not take any sick leave and 543 took between one and six Sick Days. If this same pattern were to continue for FY 1993-94 and FY 1994-95, 813 uniformed staff (270 plus 543) would vest 14,856 Sick Days. At an average cost of \$213.72 per Sick Day for Firefighters, the cost of 14,856 vested Sick Days is \$3,175,024. This \$3,175,024 cost would be a future cost to the City because uniformed staff would be paid for vested sick leave when they retire.

However, if the proposed MOU amendment is approved, the potential for bargaining unit members to receive cash compensation for a percentage of unused sick leave time would give uniformed Fire Department personnel an incentive to use less sick leave.

4. Early Retirement: A Charter amendment on the November, 1993 election ballot allowing for early retirement of members of this bargaining unit between January 1, 1994 and December 31, 1994 was not approved by the voters.

5. Negotiability of Pension Benefits: A Charter amendment on the November, 1993 election ballot transferring Tier II members of the Fire Department to the Public Employees Retirement System (PERS) was not approved by the voters. (Tier II members were hired after November 2, 1976.)

6. Furloughs: Under the proposed amendment to the MOU, there could be no layoffs or furloughs of Union employees during FY 1993-94. The fiscal impact would be that the City could not reduce the Fire Department's workforce during FY 1993-94.

7. Charter Amendments: There would be no Charter amendments submitted to the voters of the City and County of San Francisco in November, 1993 or in June of 1994 which affect the wages, hours or working conditions of Union employees unless agreed to by the parties to the MOU. No

Memo to Budget/Government Efficiency and Labor Committee
December 1, 1993 Joint Budget/Government Efficiency and Labor Committee Meeting

such Charter amendment was placed on the November, 1993 ballot.

Comments: 1. In sum, the proposed MOU amendments would result in the following savings and costs, based on information provided by the Fire Department:

FY 1993-94 Holiday Pay savings (the Fire Department did not estimate the cost to provide full coverage when uniformed staff take their compensatory time off)	(\$2,560,000)
Vested Sick Leave (Future fiscal years)	<u>3,175,024</u>
Total Estimated Cost to City	\$615,024

Because the estimated vested sick leave cost is a future cost, the impact on the Fire Department's FY 1993-94 budget would be a savings of \$2.56 million. As noted above, this savings would be offset by increased use of overtime to fully staff Fire Stations due to increased use of compensatory time off.

2. The Mayor's Office and the Fire Department reduced the Fire Department's budget by approximately \$6.4 million in anticipation of the San Francisco Firefighter's Union, Local 798 accepting a salary freeze and holiday pay decreases. The \$2.56 million estimated savings from eliminating cash compensation for working the six holiday days was included in the \$6.4 million budget reduction. According to Chief Slater, the Firefighter's Union, Local 798 did not accept the salary freeze.

Thus, if the Mayor's Office and the Fire Department are unable to achieve at least \$3.84 million (\$6.4 million budget reduction minus the \$2.56 million holiday pay savings) in additional savings, the Fire Department would need to reduce its FY 1993-94 budget by that amount or request a supplemental appropriation. As noted above, this savings would be offset by increased use of overtime to fully staff Fire Stations due to increased use of compensatory time off.

Ms. Teresa Serata of the Mayor's Budget Office advises that the City would use the Sales Tax monies approved in the November, 1993 election for public safety programs to fund any needed supplemental appropriation.

Recommendation: Approval of the proposed resolution and ordinance are policy matters for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Migden
Supervisor Hallinan
Supervisor Hsieh
Supervisor Kaufman
President Alioto
Supervisor Leal
Supervisor Bierman
Supervisor Conroy
Supervisor Kennedy
Supervisor Maher
Supervisor Shelley
Clerk of the Board
Chief Administrative Officer
Controller
Teresa Serata
Robert Oakes
Ted Lakey

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Recessed

CALENDAR Action Taker

RECESSED MEETING

BUDGET COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, DECEMBER 1, 1993 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS MIGDEN, HSIEH, ALIOTO

CLERK: KAY GULBENGAY

1. File 101-93-34. [Appropriation, Pleasanton Property Development] Ordinance appropriating \$675,000 for programmatic project (Pleasanton Property Development Plan) for the Water Department and rescinding \$675,000 from other non-personal services (environmental mitigation) for Hetch Hetchy for fiscal year 1993-94; placing \$100,000 on reserve. (Controller)
(Recessed from 11/24/93)

ACTION: Hearing held. Amended (See File for details)
Same Title. Recommended as amended. (Supervisor Alioto dissented.)

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CALENDAR. Action Taken

BUDGET COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, DECEMBER 1, 1993 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS MIGDEN, HSIEH, ALIOTO

CLERK: KAY GULBENGAY

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1. File 133-92-2.7. [Survey of Hazardous Waste Reduction in the City] Requesting release \$25,000 of reserved funds, Chief Administrative Officer/Solid Waste Management Program, for survey of hazardous waste reduction in the City. (Chief Administrative Officer)

ACTION: Hearing held. Release of \$25,000 approved. Filed.

2. File 199-93-2. [Jurisdictional Transfer of Midtown Park Apartments] Resolution transferring jurisdiction of Lot 31 in Assessor's Block 1099 from the Real Estate Dept. to Mayor's Office of Housing; and adopting findings pursuant to City Planning Code Section 101.1. (Real Estate Department)

ACTION: Hearing held. Recommended.

3. File 166-93-5. [Sale of Tax-Defaulted Property] Resolution authorizing the sale of certain tax-defaulted property located at 2710A Harrison Street, Assessor's Parcel No. 24 3640 003, to the Mission Housing Development Corporation; and providing for the execution of documents in connection therewith; and ratifying previous actions taken in connection therewith. (Supervisor Alioto)

ACTION: Continued to call of the chair.

4. File 127-93-22. [Emergency Response Fee] Ordinance amending Part III of the Municipal Code by enacting a new Article 10A, adding Sections 750 through 772, to impose a fee on telephone subscribers to finance 911 Communication System consolidation and improvements and amending Article 10, Section 720, to place a portion of Utility Users' Tax proceeds in the 911 Emergency Response Fund. (Supervisors Maher, Shelley) (Also see 97-93-58 and 307-93-1.)

(Continued from 11/24/93)

ACTION: Hearing held. Amendment of the whole (as presented by Supervisor Maher) adopted.

New Title: "Amending the San Francisco Administrative Code by amending Section 7.7 to authorize the Director of Emergency Services to supervise the functions of dispatching emergency police, fire and medical services and amending Part III of the Municipal Code by amending Article 10, Section 720, to place a portion of Utility Users' Tax proceeds in the 911 emergency Response Fund and enacting a New Article 10A, adding Sections 750 through 772, to impose a fee on telephone subscribers to finance 911 communication system consolidation and improvements."

Recommended as amended.

(Supervisor Alioto added as co-sponsor.)

5. File 97-93-58 [911 Emergency Response Fund] Ordinance amending Chapter 10 of the San Francisco Administrative Code by adding Section 10.204 thereof to establish a 911 Emergency Response Fund. (Supervisor Shelley, Maher) (Also see File 127-93-22 and 97-93-1.)

(Continued from 11/24/93)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as co-sponsor.)

6. File 307-93-1. [911 Communication Center] Resolution authorizing and directing the Chief Administrative Officer to take all steps necessary to construct and equip a 911 communications facility in consultation with the Mayor's Office of Emergency Services and urging the Mayor immediately to take all necessary steps to consolidate dispatch functions under the supervision of the Office of Emergency Services upon completion of the new facility. (Supervisor Maher, Shelley) (Also see 127-93-22 and 97-93-58.)

(Continued from 11/24/93)

ACTION: Hearing held. Amendment of the whole (as presented by Supervisor Maher) adopted.

New Title: "Urging the Chief Administrative Officer to take all steps necessary to construct and equip 1 911 Communications Facility in consultation with the Mayor's Office of Emergency Services and urging that the Mayor take all necessary steps to implement city policy to consolidate dispatch functions, to the maximum extent consistent with the Charter, under the supervision of the Office of Emergency Services."

Recommended as amended. (Supervisor Alioto added as co-sponsor.)

File 307-93-1.1. Resolution prepared in and reported out of committee. Entitled: "Requesting the Chief Administrative Officer, Controller and Budget Analyst to provide the Board of Supervisors with a schedule of the costs that will be incurred for the 911 facility project and the demands that will be placed on all revenue sources over the course of the project, urging the Mayor to identify all possible sources, other than the general fund, to finance 911 facility costs which cannot be recovered from the Emergency Response Fee, and urging the Mayor to urge the City's lobbyist to work with the City's legislative representatives to make all possible revenue sources available to the City."

Recommended.

CITY AND COUNTY

OF SAN FRANCISCO



BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

November 29, 1993

TO: Budget Committee**FROM:** Budget Analyst**SUBJECT:** December 1, 1993 Budget Committee MeetingItem 1 - File 133-92-2.7**Department:** Chief Administrative Officer (CAO)
Solid Waste Management Program**Item:** Release of reserved funds to conduct a survey of hazardous waste reduction in the City of San Francisco.**Amount:** \$25,000**Source of Funds:** Refuse Collection and Disposal Fees Impound Account**Description:** In August of 1992, the Board of Supervisors approved legislation (File 133-92-2) authorizing the Chief Administrative Officer to accept and expend monies, in the amount of \$2,896,061, from the Refuse Collection and Disposal Fees Impound Account for various Solid Waste Management Program projects. Of the \$2,896,061 total, the Board of Supervisors placed \$25,000 on reserve for a consultant to a) conduct a survey of businesses that have shown a reduction in their production of hazardous wastes and b) determine the reasons for such reductions. This \$25,000 was reserved pending selection of a consultant, estimated hours, hourly rates, and MBE/WBE status of the consultant.

Memo to Budget Committee
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The CAO received two responses to their Request For Proposal process to select a consultant. PRC Environmental Management, Inc. (PRC) was selected as the consultant to conduct the survey. PRC is not a MBE or a WBE. The budget for the survey is as follows:

	Professional Hours	Hourly Rate	Total Cost
<u>Personnel</u>			
Project Manager	35	\$63.35	\$2,217.25
Data Review Team Leader	2	50.15	100.30
Senior Data Review Team Member	165	56.50	9,322.50
Junior Data Review Team Member	160	31.50	5,040.00
Database Management	45	85.00	3,825.00
Support Staff	90	34.65	3,118.50
Clerical Staff	10	33.00	330.00
Total Personnel	507		\$23,953.55
<u>Operating Costs</u>			
Photocopying			\$250.00
Computer			216.00
Mail/Courier			120.00
Telephone			250.00
Faxcimile			50.00
Travel			37.50
General and Administrative			92.35
Total Operating Costs			\$1,015.85
Total Consultant Cost			\$24,969.40

Recommendation: Release the reserved funds.

Memo to Budget Committee
December 1, 1993

Item 2 - File 199-93-2

Department: Real Estate Department
Mayor's Office of Housing (MOH)

Item: Resolution transferring jurisdiction of Lot 31 in Assessor's Block 1099 from the Real Estate Department to the Mayor's Office of Housing, and adopting findings pursuant to City Planning Code Section 101-1.

Description: The proposed resolution would authorize the jurisdictional transfer of the Midtown Park Apartments, which are located between Geary, Divisadero, O'Farrell and Scott Streets (Assessor's Block 1099), from the Real Estate Department to the MOH, at no cost to the City. The Midtown Park Apartment Complex contains 140 low to moderate income residential rental units. According to the Real Estate Department, this jurisdictional transfer (from the Real Estate Department to the MOH) of property is being requested because the MOH is exploring the possibility of converting this apartment complex to tenant ownership and the Mayor's Office has the expertise to facilitate such a conversion. If this property were to be converted to tenant ownership, additional property taxes would accrue to the City.

Comments:

1. The Department of City Planning in a letter dated September 28, 1993, has determined that this jurisdictional transfer is in conformity with the City's Master Plan and is consistent with the Eight Priority Policies of Planning Code Section 101.1.
2. If this property were ultimately to be converted to tenant ownership, it would require separate legislative approval of the Board of Supervisors.

Recommendation: Approve the proposed resolution.

Memo to Budget Committee
December 1, 1993

Item 3 - File 166-93-5

Department: Tax Collector
Mayor's Office of Housing (MOH)

Item: Resolution authorizing the sale of certain tax-defaulted property located at 2710A Harrison Street, to the Mission Housing Development Corporation, and providing for the execution of related documents and ratifying previous actions in connection with this sale.

Amount: \$8,500

Description: The Tax Collector recommends that the Board of Supervisors approve the sale of real property located at 2710A Harrison Street to the non-profit housing corporation, Mission Housing Development Corporation (MHDC) for \$8,500. Such a sale is pursuant to Chapter 8 of Part 6 of Division 1 of the California Revenue and Taxation Code.

The Tax Collector advises that the property has been tax-defaulted for nonpayment of secured real property taxes for more than 15 years. Based on further investigations the Tax Collector has found:

- The subject property is landlocked¹ and is an undevelopable vacant lot located adjacent to multi-unit residential buildings at 3019² and 3025 23rd Street owned by MHDC and in the vicinity of the Abel Gonzales Apartments senior housing development;
- MHDC would develop and use in perpetuity the subject property as a community garden or park for neighborhood residents; and
- the proposed sale price of \$8,500 is the minimum bid which the Tax Collector could accept if the property offered for sale as tax-defaulted property pursuant to Chapter 7 of Part 6 of Division 1 of the California Revenue and Taxation Code, and is therefore, according to the Tax Collector, a fair and reasonable price for the subject property.

¹ a five foot easement across 3019 23rd Street is the only access.

² MHDC has recently rehabilitated 3019 23rd Street creating four family units and two handicap accessible studio units for low and moderate income households using Community Development Block Grant (CDBG) Community Housing Rehabilitation Program (CHRP) monies and HUD Residential Rehabilitation monies.

Comments:

1. The Mayor, on behalf of the City, has filed with the Clerk of the Board of Supervisors an Agreement in which MHDC would purchase the subject property for \$8,500. According to this Agreement, the Mission Housing Development Corporation (MHDC) would dedicate the tax-defaulted property for public use in perpetuity as a community garden or park as a condition of the parcel's conveyance. If the parcel is not dedicated for public purposes within two years, the conveyance from the City is to be rescinded.
2. As of November 1993, the amount of delinquent property taxes and penalties on the subject property totals \$27,275. These taxes and penalties have accumulated over the past 16 years.
3. The \$8,500 purchase price would be paid to the Tax Collector to offset the existing delinquent property taxes and penalties owed on the property.
4. According to Mr. Harry Quinn of the Real Estate Department, \$8,500 is the fair market value for the subject property.
5. Mr. Olson Lee of the Mayor's Office of Housing (MOH) advises that his Office is seeking information from MHDC on what funds have been committed by MHDC to the upgrading of the subject property. Such funds are needed to fulfill the requirements of the Agreement with the City so that the property can be dedicated in perpetuity for public purposes as a community garden or park within two years of its sale to MHDC. Until that information is obtained and reported to the Board of Supervisors, the proposed resolution should be continued to the call of the Chair. Mr. Lee of the MOH concurs with such a continuance.
6. Mr. Thad Brown of the Tax Collectors Office advises that an attempt was made last year to sell the subject parcel by public auction. However, no bids were received at that time. Therefore, the proposed negotiated sale, which requires Board of Supervisors approval, has been proposed as an alternative measure to a second attempt by the Tax Collector to sell the property at public auction. The proposed alternative negotiated sale has been approved by the State Board of Equalization.

Memo to Budget Committee
December 1, 1993

7. Because the subject Agreement is dated October 26, 1993, action by the Board of Supervisors requires the ratification of previous actions taken on the subject Agreement to sell the tax-defaulted property.

Recommendation: Continue the proposed resolution to authorize the sale of the subject tax-defaulted property to the call of the Chair.

BOARD OF SUPERVISORS
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Items 4, 5 and 6 - Files 127-93-22; 97-93-58; and 307-93-1

Note: These items were continued from the November 24, 1993 Budget Committee Meeting. Refer to the separate Joint Report of the Chief Administrative Officer, the Controller, and the Budget Analyst.

Items: The proposed legislation includes the following:

- An ordinance amending Part III of the Municipal Code to enact a new Article 10A to impose a 911 Emergency Response Fee on telephone subscribers to finance 911 communication system consolidation and improvements and amending Article 10 to place a portion of Utility Users' Tax proceeds in a new special fund to be designated as the 911 Emergency Response Fund. (File 127-93-22; referred to in this report as the "fee ordinance")
- An ordinance amending Chapter 10 of the San Francisco Administrative Code by adding Section 10.204 thereof to establish a new special fund to be designated as the 911 Emergency Response Fund. (File 97-93-58)
- A resolution authorizing and directing the Chief Administrative Officer to take all steps necessary to construct and equip a 911 Communications Facility in consultation with the Mayor's Office of Emergency Services.(File 307-93-1)

Description:

1. The proposed fee ordinance would create alternative funding sources in order to finance construction and equipment acquisition for a new 911 Communications System facility. Total project costs are defined by the fee ordinance as an amount not to exceed \$49.0 million. Funding would be from the establishment of a monthly fee of \$0.50 per local telephone access line including cellular phones (the '911 Emergency Response Fee'). This fee would produce approximately \$4.5 million annually in new City revenues.

The proposed new fee is intended to recover all costs related to the benefits the improved 911 Communications System will provide to non-exempt telephone subscribers. The fee would sunset after accumulating 82.1% of proposed project costs. Since some telephone service subscribers, such as residential 'lifeline' customers, will be exempt from the fee, a portion of total project costs would be paid from some source of revenue other than the proposed 911 Emergency Response Fee. Using the fee ordinance's proposed total maximum project cost of \$49.0 million, the portion of total

project costs that, by legal definition, can be funded from 911 Emergency Response Fee revenues would be approximately \$40.2 million (an estimated 82.1 percent of the total project cost of \$49.0 million) the amount designated as *eligible project costs* in the fee ordinance. The proposed monthly \$0.50 911 Emergency Response Fee will sunset in the year 2003 based on the 107 month estimated time period it will take to accumulate the eligible project costs of approximately \$40.2 million.

2. The fee ordinance also provides that the 911 Emergency Response Fee will sunset should the residential Utility Users' Tax be reinstated. Residential customers have been exempt from paying the Utility Users' tax since 1987. A recent court decision, now under appeal by the City, overturned the exemption for residential customers. If the City loses the appeal, a portion of the new Utility Users' Tax revenue (equal to \$6.5 million annually with provisions for future escalation) will be substituted for the 911 Emergency Response Fee.

3. The fee ordinance authorizes the Controller to end fee collections when an amount equal to eligible project costs (approximately \$40.2 million) are realized from the fee. This date could vary, under the proposed fee ordinance, depending on actual future fee revenues collected by the City. Section 756 (d) of the fee ordinance further provides that the Board of Supervisors can extend the period the fee can be collected upon a certification by the Controller that actual fee collections or project costs vary significantly from original estimates.

4. A new 911 Emergency Response Fund would be created by the proposed ordinance in file 97-93-58. If the source of funds for annual contribution to the special fund turns out to be the 911 Emergency Response Fee, such revenues will only be for the purpose of financing 911 communication system improvement eligible project costs. Since the fee will sunset after the total eligible project cost is contributed to the special fund, should the source of funds for the 911 Emergency Response Fund become Utility Users' Tax proceeds, such Utility Users' Tax revenues can be used for ongoing operations and maintenance of the 911 communications facility after improvement project costs have been met. Appropriations from the special fund shall be subject to the budget and fiscal provisions of the Charter.

5. The proposed resolution (File 307-93-1) would authorize and direct the Chief Administrative Officer to take steps

necessary to construct and equip the new 911 Communications Center. The Communications Center will consolidate 911 telephone services, communications and dispatch functions now dispersed among the Police Department, the Fire Department and the Department of Public Health - Paramedic Division.

Background

A number of management audits of the 911 Communications System have been conducted by the City. The Budget Analyst first conducted a management audit of the 911 Communication System in 1987. A subsequent joint management audit by the Controller's Internal Audit Section and the Budget Analyst was performed in 1991. A review of the status of implementing the 1991 report recommendations was conducted by the Budget Analyst and the Controller in 1992.

The latest management audit report, prepared by the Mayor's Office of Emergency Services, was issued in August, 1993. That report on the 911 Communications System concluded that the management information system in the San Francisco 911 Dispatch Center is inadequate to the tasks required. The report recommended that the City obtain new hardware and software, including a stand-alone computer and a 'state of the industry' Computer Aided Dispatch (CAD) system. The report also concluded that the 911 Dispatch Center is not located in a seismically safe facility, and no fully equipped alternative site is available in the event that the primary system is disabled. The report recommended that the City identify a seismically safe alternative site in the event the primary center is disabled.

The Mayor's Office of Emergency Services further concluded, after a followup survey of municipalities with modernized 911 communications systems, that the most efficient and effective systems feature a combined dispatch system for police, fire and emergency medical services.

**Proposed Facility
and Equipment;
Estimated Total
Project Costs and
Eligible Project
Costs:**

The proposed project to be financed by this fee would consolidate the current Police Department 911 Dispatch Center with the secondary dispatch centers operated by the Fire Department and the Department of Public Health Paramedic Division. A new fireproof, seismically safe facility is proposed to permit co-location of the three dispatch operations.

New computer hardware and software would be acquired for "stand alone" operation of the Computer Aided Dispatch

(CAD) system and the Police Department's Records Management System. The new system would be dedicated to the purpose of supporting consolidated emergency response communications and correct the existing difficulties arising from the sharing of the Hall of Justice mainframe computer between the Police Department 911 Dispatch Center and the Court Management System. The new system would also remedy the deficiencies of the Fire Department's current CAD system. Some costs would also be incurred to make immediate needed improvements to the Fire Department's CAD system as an interim solution to their existing system deficiencies.

Further elements of the improvement project include:

- a 911 switch and call directing equipment for the new Dispatch Center;
- radio communication dispatch stations and antennas to relay calls from the CAD system to responding emergency vehicles;
- public safety "hard wire" costs for direct communication to Fire Stations, the fire alarm ("red box") system and the Mayor's Emergency Telephone System;
- "on board" electronics and computer terminals for emergency vehicles.

The total preliminary project specifications and development costs have been developed by an interdepartmental team of representatives from the Police Department, the Fire Department, the Department of Public Health Paramedic Division, and the Mayor's Office of Emergency Services, operating under the direction of the Chief Administrative Officer.

Current provisional estimates of the total project costs, including construction, hardware and software acquisition and installation, and emergency vehicle electronics amount to between \$45.4 million and \$46.1 million including project development and management costs. Financing costs, for such items as debt issuance and annual debt service are not included in this project cost estimate.

Project Costs are defined in the proposed legislation as any costs of:

acquiring land on which to locate a new 911 Communication System facility, acquiring and installing computerized call delivery processing and dispatch equipment and software, and/or any other acquisition or construction necessary to combine 911 communication staff under a single uniform command structure and to house 911 communication system equipment and staff in a new seismically safe and fireproof facility, including any debt service payments related thereto.

For purposes of establishing and collecting the Emergency Response Fee, the proposed fee ordinance states that the Board of Supervisors estimates that Project Costs, as defined by the proposed legislation, will equal \$49.0 million. In defining this estimate, the proposed fee ordinance also states that the estimate is not intended to limit the scope of the project that may be financed from other revenue sources.

The proposed legislation defines *Eligible Project Costs* as:

...the portion of project costs reflecting the benefit estimated to be provided by the project to telephone subscribers who are required to pay the fee imposed by the provisions of this Article on access lines subject to the fee. Eligible Project Costs shall not include Exempt Project Costs or any expenditures which are reimbursed in accordance with the California Emergency Telephone Users Surcharge Act or are reimbursed by any other public entity.

The term *Exempt Project Costs* in the above definition means:

...the portion of project costs reflecting the benefits estimated to be provided by the project to telephone subscribers who are exempted from the fee by Section 754 of this Article or are otherwise not required to pay any fee imposed by the provisions of this Article.

Total revenue to be collected from imposition of this fee is reduced due to the effect of exempting certain telephone subscribers. In accordance with the legal definitions in the proposed legislation for *Eligible Project Costs* and *Exempt Project Costs*, the portion of defined Project Cost that can be

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BUDGET ANALYST**

financed from proceeds collected through establishment of the Emergency Response Fee is approximately 82.1% as estimated in the next section of this report on fee revenues.

**Fee Structure and
Fee level; Exceptions,
Exemptions and Fee
Cap**

The proposed fee ordinance provides for a standard monthly fee for all telephone access lines of \$0.50 (\$6.00 annually). Some exceptions to this fee are provided for in the ordinance as described below.

Rate Adjustment for Trunk Line Services: The number of stations that can be served by a single trunk line (such as a private branch exchange or 'PBX') varies according to the needs of the specific customer. However, based on information received from Pacific Telesis and the California Public Utilities Commission, it is reasonable to assume that, on average, trunk lines provide service to five times as many stations as are served by a single access line. Therefore, the proposed fee ordinance determines that it is reasonable to charge a trunk line fee at a rate equal to five times the rate for standard access lines (\$2.50 per month, \$30 annually).

Exemptions: Subscribers to *Lifeline* service and coin-operated telephones would be exempted from the proposed fee in order to ensure that the 911 telephone service is as available as possible to low-income subscribers. In addition, taxpayer supported facilities such as government operations, hospitals, and educational institutions would also be exempt from the proposed fee.

Telephone service suppliers are exempt from the fee since charging suppliers to provide telephone service would merely further increase costs for telephone subscribers.

Fee Cap: The proposed fee ordinance provides that businesses with a large number of telephone access lines would be disproportionately burdened by the fee in relation to the benefits such a business would receive from access to 911 communications services. Therefore, any business with telephone access lines numbering more than 1,667 would be limited to paying no more than \$10,000 annually in total fees.

In order to fairly allocate costs according to benefits received from the proposed 911 communications improvements, the costs associated with benefits to exempt subscribers should not be assumed by fee paying subscribers. Therefore, the proposed fee ordinance determines that the costs associated with exempt

subscribers should be recovered from another revenue source.

Estimated Fee Revenue; Revenue Decrease Due To Exemptions

The proposed fee level of \$0.50 per month per telephone access line and \$2.50 per month per trunk line, after accounting for the exemptions, results in a net annual estimated revenue of \$4,520,000, based on data provided by Pacific Telesis. Such data include the estimated number of telephone access lines by class of telephone subscriber (residence lines, business lines, cellular phones and pay phones). Pacific Telesis, the local telephone service provider, has provided counts of "line equivalents" which counts each trunk line as five telephone access lines, using their five to one estimate of the ratio of trunk lines to telephone stations.

The table below details the net annual revenue estimate.

Estimated Emergency Response Fee Annual Revenue

Type of Telephone Subscriber	No. of Telephone Access Line Equivalents	Gross Revenue From a \$.50 per month fee	Exempt Line Equivalents	Annual Revenue Reduction Due to Exemptions	Annual Revenue Reduction due to Annual Fee Cap	Estimated Net Annual Revenue after Subtracting Exempt Lines
Residence Lines	380,000	\$2,280,000	78,000	(\$468,000)		\$1,812,000
Business, Cellular	533,500	3,201,000	55,000	(330,000)	(\$163,000)	2,708,000
Pay Phones	4,000	24,000	4,000	(24,000)		0
Total	917,500	\$5,505,000	137,000	(\$822,000)	(\$163,000)	\$4,520,000

Because future growth in the number of telephone access lines and cellular phones is highly uncertain, we have projected no escalation of annual revenues collected from this fee. Therefore, for purposes of this revenue estimate, we have assumed that annual revenues will remain "flat", at approximately \$4.52 million per year, during the estimated 107 month term the proposed fee would be collected (see below).

As shown in the table below, 82.11% (\$4,520,000 divided by \$5,505,000) of potential total fee revenue can be applied to the project due to the definitions of Eligible Project Costs and Exempt Project Costs specified in the proposed fee ordinance. Based on the proposed legislation's stipulated Project Costs of \$49.0 million, \$40,232,516 or 82.11% of that total can be financed by proceeds of the proposed 911 Emergency Response Fee. At the estimated annual net revenue from the fee of \$4.52 million, the term necessary to collect the fee would be approximately 107 months. The

**BOARD OF SUPERVISORS
BUDGET ANALYST**

proposed legislation provides that conversion costs incurred by telephone service suppliers, estimated by Pacific Telesis to amount to a one time cost of approximately \$240,000, are to be deducted from the fees collected.

Revenue Recap	Estimated Net		Total Revenue Target	
	Annual Revenues Amount	Percentage	Amount	Percentage
Total Potential Fee Revenue and Project Costs	\$5,505,000	100.00%	\$49,000,000	100.00%
Less Exemptions	<u>985,000</u>	<u>17.89%</u>	<u>8,767,484</u>	<u>17.89%</u>
Net Annual Revenue and Eligible Project Costs	\$4,520,000	82.11%	\$40,232,516	82.11%

The proposed legislation specifies that telephone service suppliers will begin collecting fees on September 1, 1994. Based on the estimated revenues discussed above, the fee would terminate on July 31, 2003 (after approximately 8.9 years). The proposed legislation gives the Controller of the City and County the discretion to amend the period of fee collection in accordance with actual revenues received in order to prevent collection of more revenue than can be applied to this project. Section 756 (d) of the fee ordinance further provides that the Board of Supervisors can extend the period the fee can be collected upon a certification by the Controller that actual fee collections or project costs vary significantly from original estimates.

Comments:

1. The proposed monthly 911 Emergency Response Fee which would generate an estimated \$4.5 million annually is to be used strictly for equipment and capital improvements. Remaining project costs, including all debt service costs, that cannot be supported by the proposed fee revenue (estimated at \$4.5 million annually) therefore must be funded from some other source which has not been identified in the proposed fee ordinance.

2. As previously noted, the proposed fee ordinance also provides that the 911 Emergency Response Fee will sunset should the residential Utility Users' Tax be reinstated. If the Utility Users' Tax is again collected from residential customers, the City will gain an estimated \$21.8 million in annual General Fund revenue. Instead of using the 911 Emergency Response Fee as a revenue source for constructing and equipping the new 911 Communications System facility, the proposed fee ordinance provides that a

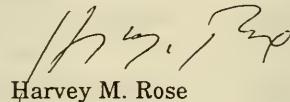
BOARD OF SUPERVISORS
BUDGET ANALYST

sum equal to \$6.5 million annually from this source will be deposited in the 911 Emergency Fund to finance the project. The \$6.5 million can be used for future operating costs after financing equipment acquisition and capital improvements.

3. This potential annual contribution of Utility User Tax proceeds to the special fund would begin at \$6.5 million annually effective when and if the City loses the appeal on residential Utility Users' Tax exemptions. The annual contribution would be adjusted by the Controller in accordance with the annual percentage increase in aggregate City Salaries. However, total annual proceeds dedicated to the 911 Emergency Fund shall not exceed the annual Utility Users' tax revenue collected based on rates in effect and utility usage taxable prior to May, 1978. This amount is equal to approximately \$34.3 million annually according to computations of the Controller. The Mayor's budget office estimated that total operating and maintenance costs for current Communications Dispatch operations of the Police and Fire Department alone (not including the Department of Public Health's Paramedic Division) is approximately \$13.8 million annually. Therefore, the \$6.5 million may be inadequate to meet future operating expenditures depending on what costs are to be covered from the special fund after completion of the new 911 Communications Center.

4. The CAO's Office is unable to specify a financing plan, which would provide for all of the needed funding for the 911 Communications System Improvement project, until the 911 system improvement project is defined in greater detail. Consequently, future debt service costs cannot be estimated at this time. Such costs will depend on when expenditures will be required for actual construction and equipment acquisition, which will determine when debt financing instruments will need to be sold, and the time period over which such debt will be financed.

Recommendation Approval of the two proposed ordinances and the proposed resolution are policy matters for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Migden
Supervisor Hsieh
President Alioto
Supervisor Bierman
Supervisor Conroy
Supervisor Hallinan
Supervisor Kaufman
Supervisor Kennedy
Supervisor Leal
Supervisor Maher
Supervisor Shelley
Clerk of the Board
Chief Administrative Officer
Controller
Teresa Serata
Robert Oakes
Ted Lakey

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12/8/93

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AUG 27 1996

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CALENDAR Action
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BUDGET COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, DECEMBER 8, 1993 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS MIGDEN, ALIOTO

ABSENT: SUPERVISOR HSIEH

CLERK: KAY GULBENGAY

1. File 97-93-62. [Recorder's Filing Fees] Ordinance amending Administrative Code by amending Section 8.24-1 and adding Section 8.24-4, to authorize the collection of additional filing fees pursuant to State law. (County Clerk-Recorder)

ACTION: Hearing held. Recommended.

2. File 171-93-4. [Parking Citation Penalties] Ordinance amending the penalties for violation of Traffic Code Sections 27, 32 c.2, 32.10, 32.12, 38(K), 219, and California Vehicle Code Sections 5204(a), 22500(e), 22500(f) and 22511.56(b). (Department of Parking and Traffic)

ACTION: Hearing held. Question divided. Consideration of Traffic Code Section 38 (k), Vehicle Code 5204 (a) and Vehicle Code 22511.56(b) severed and considered separately.

Remaining consideration amended on page 1 line 3 by deleting "38 (k); on line 4 by deleting "5204 (a)"; on line 5 by deleting "22511.56 (b)"; and by deleting lines 17-25; and on page 2 by deleting lines 1-2; and by deleting lines 12, 14 and 19.

New Title: "Amending the penalties for violation of Traffic Code Sections 27, 32 c.2, 32.10, 32.12, 219 and California Vehicle Code Sections 22500 (e) and 22500 (f)."

Continued to call of the chair as amended.

File 171-93-4.1. Resolution prepared in and reported out of committee.

Entitled: "Amending the penalties for violation of Traffic Code Section 38 (k) and California Vehicle Code Sections 5204 (a) and 22511.56 (b).

Recommended.

3. File 161-93-11. [Budget Amendment, Two Architectural Positions] Resolution approving an amendment to the Fiscal Year 1993-94 Budget of the Redevelopment Agency of the City and County of San Francisco. (Redevelopment Agency)
ACTION: Hearing held. Recommended.
4. File 82-93-13. [Acquisition of Eighteen Noise Easements, Daly City] Resolution authorizing the acquisition of eighteen noise easements in the City of Daly City as part of the City of Daly City's Aircraft Noise Insulation Project - Phase 1. (Real Estate Department)
ACTION: Hearing held. Recommended.
5. File 100-93-11.1. Hearing to consider update of summary of revenues and expenses for fiscal year 1993-94. (Supervisor Migden)
ACTION: Hearing held. Filed.

CITY AND COUNTY

OF SAN FRANCISCO



BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

December 6, 1993

TO: Budget Committee**FROM:** Budget Analyst**SUBJECT:** December 8, 1993 Budget Committee MeetingItem 1 - File 97-93-62**Department:** County Clerk-Recorder**Item:** Ordinance amending the San Francisco City and County Administrative Code by amending Section 8.24-1 and adding Section 8.24-4, to authorize the collection of additional recording fees of the County Clerk-Recorder pursuant to State law.**Description:** California Government Code 27361 has recently been changed to allow counties to increase recording fees when Recorders maintain a current general index and keep their offices open to the public except for legal holidays. In accordance with the new State law, the proposed ordinance would increase per document recording fees by \$2.00. Currently, the State permits counties to charge a \$5.00 recording fee for the first page of a document and \$3.00 for each additional page. According to the County Clerk-Recorder's Office, the average document size processed by that office is 2.3 pages at an approximate average fee of \$9.00 (\$5.00 for the first page plus approximately \$4.00 for the additional 1.3 pages). Thus, the proposed \$2.00 per document fee increase would effectively increase the current recording fee by \$2.00 or 22 percent from \$9.00 to \$11.00.

Of that proposed \$2.00 recording fee increase, \$1.00 would cover the Recorder's costs to keep the office open every business day. The remaining \$1.00 of the proposed \$2.00 recording fee increase would cover the Recorder's costs to index a filed document within two business days after the date it was filed.

The proposed ordinance would also establish a special fund entitled the Recorder's Access and Indexing Fund into which the \$2.00 fee would be deposited. Monies from the Recorder's Access and Indexing Fund would be appropriated solely to defray the costs of keeping the Recorder's Office open to the public every business day (with the exception of legal holidays) and to defray the costs of indexing every recorded instrument, paper or notice within two business days after the date of recordation. Any expenditures made from the proposed Recorder's Access and Indexing Fund would be subject to appropriation approval of the Board of Supervisors.

Comments:

1. The County Clerk-Recorder's Office currently generates \$1,797,500 in General Fund revenues, including \$960,000 in recording fees. \$1,066,573 of those General Fund revenues are allocated to the County Clerk-Recorder's Office activities and the remaining \$730,927 are Unallocated General Fund revenues. Mr. Neal Taniguchi of the Chief Administrative Officer's (CAO) Office advises that, in future fiscal years, the County Clerk-Recorder's Office intends to transfer positions and other expenses related to keeping the Recorder's Office open to the public every business day (with the exception of legal holidays) and to defray the costs of indexing every document within two business days from the General Fund to the proposed Recorder's Access and Indexing Fund, thus reducing the amount of General Fund monies required to support County Clerk-Recorder activities.
2. The County Clerk-Recorder's Office currently receives a total of approximately \$1,610,000 annually from recording fees. \$960,000 of those recording fees are deposited into the City's General Fund. The remaining \$650,000 of those recording fees are deposited into a Special Revenue Fund to be used for microfilming documents and to make automation improvements at the County Clerk-Recorder's Office. The County Clerk-Recorder's Office processes approximately 245,000 documents annually for which it charges a fee and estimates that the proposed \$2.00 recording fee increase would generate \$490,000 annually in increased revenues, therefore resulting in total estimated

recording fee revenues of \$2.1 million (\$1,610,000 current recording fee revenues plus \$490,000 proposed recording fee revenues).

3. As previously noted, the \$490,000 estimated revenues associated with the proposed \$2.00 recording fee would be deposited into a special fund entitled the Recorder's Access and Indexing Fund which is also included in the proposed ordinance.

4. It is projected that the new fee would have an effective starting date of February, 1994. Based on the estimated annual \$490,000 in additional revenues associated with the proposed \$2.00 recording fee, the County Clerk-Recorder should receive approximately \$204,167 in FY 1993-94 (\$490,000/12 months x 5 months). However, Mr. Greg Diaz of the County Clerk-Recorder's Office advises that the County Clerk-Recorder's Office normally processes fewer documents during these five months than during the preceding seven months. Therefore, it is estimated that the proposed \$2.00 recording fee will generate up to \$150,000 of additional revenues for the remaining five months of FY 1993-94.

The County Clerk-Recorder anticipates submitting a supplemental appropriation request in FY 1993-94 to use that \$150,000 to add two new positions which would permit the County Clerk-Recorder to index documents within two business days as required under the proposed ordinance. That forthcoming supplemental appropriations request would require separate legislative approval of the Board of Supervisors. It is estimated that the proposed \$2.00 recording fee increase would support the two additional positions in subsequent fiscal years.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

Item 2 - File 171-93-4

Note: This item was continued from the Budget Committee meeting on October 20, 1993.

Department: Department of Parking and Traffic (DPT)

Item: Resolution amending the penalties for violation of Traffic Code Sections 27, 32 c.2, 32.10, 32.12, 38(k), 219 and California Vehicle Code Sections 5204(a), 22500(e), 22500(f) and 22511.56(b).

Description: The Department of Parking and Traffic reports that, as required by State law, the DPT assumed all functions relating to the processing of parking citations, effective November 1, 1993. Accordingly, the DPT recently conducted the review of citation penalties, previously processed by the Municipal Court. As part of this review, the DPT, determined that the penalties associated with the violation of the Traffic Code and California Vehicle Code Sections noted above should be increased as follows, to comply with State law, to make the penalties consistent with other comparable violations and to serve as a deterrent for violators:

<u>Traffic Code</u>	Current Penalty	Proposed Penalty
Section 27 (Parking a motor vehicle in a motorcycle zone)	\$13	\$20
Section 32 c.2 (Overtime parking)	15	20
Section 32.10 (Off-street parking meter)	15	20
Section 32.12 (Off-street parking posted time limits)	13	20
Section 38(k) (Unauthorized parking in a disabled driver zone)	103	275
Section 219 (Overtime parking at a Motorcycle meter)	13	20
<u>California Vehicle Code</u>		
Section 5204(a) (No registration tabs)	25	60
Section 22500(e) (Parking in front of a driveway)	50	75

	<u>Current Penalty</u>	<u>Proposed Penalty</u>
Section 22500(f) (Parking on a sidewalk with four wheels)	\$25	\$50
Section 22511.56(b) (Unauthorized use of disabled driver placard)	103*	500

*Not in existence during FY 1992-93.

The DPT advises that the current penalties for violation of Traffic Code Sections 27, 32 c.2, 32.10, 32.12, and 219 are significantly lower than other penalties for similar violations of the Traffic Code. Additionally, according to the DPT, the current penalty for violation of Section 38(k) of the Traffic Code is significantly lower than the penalty for the violation of Section 22507.8 of the California Vehicle Code, which is an identical offense.

The DPT reports that the current penalty for violation of Section 5204(a) of the California Vehicle Code does not comply with the State law. According to the DPT, the current penalties for violation of Sections 22500(e) and 22500(f) of the California Vehicle Code are not sufficient to act as a deterrent to motorists. In the case of Section 22500(f), parking on a sidewalk with four wheels, the DPT also notes that such parking poses an unusual hazard for pedestrians, particularly those who are elderly or disabled. In addition, the DPT advises that the current penalty for the violation of Section 22511.56(b) of the California Vehicle Code is insufficient to act as a deterrent to motorists who have unauthorized use of disabled driver placards.

Comments

1. In FY 1992-93 the penalties from the City Traffic Code and the California Vehicle Code citations resulted in revenues of \$3,646,150 (see Comment No. 3). The DPT reports that assuming that the numbers of violations of the above-noted Traffic and California Vehicle Code sections remain at the same level as they were enforced in FY 1992-93, the proposed increases in penalties would generate approximately \$2,952,588 in additional revenue to the City on an annual basis. The DPT notes however, that since higher dollar value citation penalties sometimes result in substantially greater compliance, the DPT cannot precisely estimate the fiscal impact of the proposed increased penalties.

Memo to Budget Committee
December 8, 1993

2. Attached is a report from Mr. John E. Newlin, Executive Director of the DPT, which provides the following information, as requested by the Budget Committee: (a) when the above-noted citation penalties were last increased, (b) the number of citations issued, by type of citation, in FY 1992-93 and (c) how the current and proposed penalties compare with those of other local jurisdictions. The additional information requested by the Budget Committee regarding (a) the annual amounts of revenue generated from each type of citation, and (b) which penalties are required under State law and which penalties are optional, is discussed below in Comments 3 and 4 respectively.

3. Mr. Tim Johnson of the DPT reports that the amount of revenue generated from each of the above-noted citations for FY 1992-93 is as follows:

	<u>FY 1992-93</u>
<u>Traffic Code</u>	<u>Revenue Amount</u>
Section 27	\$3,139
Section 32 c.2	680,368
Section 32.10	118,027
Section 32.12	2,657
Section 38(k)	108,943
Section 219	664
 <u>California Vehicle Code</u>	
Section 5204(a)	237,832
Section 22500(e)	390,512
Section 22500(f)	2,104,008
Section 22511.56(b) (no bail in 1992-93)	<u>0</u>
Total	\$3,646,150

4. Mr. Johnson advises that with the exception of the penalty for the violation of California Vehicle Code Section 5204(a) (no registration tabs), the City has the discretion to set the penalty amount in connection with all of the above-noted citations. According to Mr. Johnson, the State mandates a penalty of \$60 for violation of Section 5204(a).

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.



FRANK M. JORDAN, Mayor
JOHN E. NEWLIN, Executive Director

City and County of San Francisco



November 9, 1993

Honorable Carole Migden
Chair, Budget Committee
Board of Supervisors
Room 235 City Hall
San Francisco, CA 94102

Dear Supervisor Migden:

At the October 27, 1993 meeting of the Budget Committee, you requested the Department of Parking and Traffic supply you with additional information concerning citation penalty amounts. The following report compares San Francisco's citation penalties with those of other jurisdictions, and provides some background information on when penalties were last increased and where the penalty amounts are deposited.

FINE INCREASES

The last time citation penalties increased was July 1, 1992, when all citation penalty amounts were raised by three dollars. Two dollars and fifty cents of this amount is deposited in the Courthouse Fund and fifty cents is remitted to the General Fund. The rest of the money from citation penalties goes into the General Fund, except for California Vehicle Code (CVC) Section 5204a (expired registration) which is a compliance violation, or "fix-it ticket", that bears a face value of \$60.00. However, the motorist pays only ten dollars of this amount once they have re-registered their vehicle.

Also on July 1, 1992, the penalties for parking in driveways (CVC 22500e) and on sidewalks (CVC 22500f) were raised from \$25 to \$50 and \$20 to \$25, respectively.

Parking Control Officers can cite under either the San Francisco Traffic Code or the California Vehicle Code. Many of the recommended citation increases in the package before you will make Traffic Code violations consistent with comparable Vehicle Code violations. For example, Traffic Code Section 38K is a \$103.00 citation for unauthorized parking in a disabled driver zone. However, the similar California Vehicle Code penalty is \$275.00.

Honorable Carole Migden
Chair, Budget Committee
November 9, 1993
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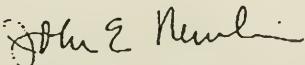
Additionally, in order to ensure compliance, the Department recommends several increases in penalty amounts to act as deterrents for serious infractions such as parking on a sidewalk and the unauthorized use of a disabled person placard. The Department feels that these violations present serious safety hazards to the elderly and the disabled, and thus justify the proposed higher penalty amounts.

Recognizing the positive impact of motorcycle use on managing congestion and increasing on-street parking, the Department has increased the number of motorcycle parking spaces throughout the City in the past several years. One of the biggest complaints we hear from motorcyclists is that cars too often park in designated motorcycle spaces. We propose to raise the penalty for that infraction to better enforce these spaces. Additionally, the Department seeks to provide consistency between car and motorcycle violations by raising the penalty for overtime parking at a motorcycle meter to the same rate as overtime vehicular parking.

As you can see from the attached table, many of San Francisco's citation amounts are comparable to those in other Bay Area jurisdictions.

I hope that I have answered your questions about these proposals. Please do not hesitate to call me if I can be of further assistance.

Sincerely,



John E. Newlin
Executive Director

attachments a/s

JEN:LE:nk

COMPARISON OF CITATION AMOUNTS

VIOLATION	PENALTY AMOUNT - SAN FRANCISCO CURRENT/ PROPOSED	NUMBER OF CITATION FY 92-93	BERKELEY	OAKLAND	SAN JOSE	LOS ANGELES
SF Traffic Code sec. 27 (TC 27)	\$13/ \$20	345	no similar violation	no similar violation	no similar violation	no similar violation
TC 32.2	\$15/ \$20	64,797	\$20	\$23	\$21	\$20
TC 32.10	\$13/ \$20	12,970	no similar violation	no similar violation	\$20	\$21
TC 32.12	\$13/ \$20	292	does not cite for this violation	\$30	\$21	\$20
TC 38k	\$103/ \$275	1511	cites under CVC 22550L (\$255)	\$255	\$255	\$255
TC 219	\$13/ \$20	703	no similar violation	no similar violation	no similar violation	no similar violation
VC 5204a	\$25/ \$60	33,976	\$60	\$60	\$60	\$60
VC22500e	\$50/ \$75	22,315	\$20	\$20	\$26	\$30
VC22500f	\$25/ \$50	120,229	\$20	\$20	\$30	\$30
VC22511.5 6b	\$103/ \$500					

Memo to Budget Committee
December 8, 1993

Item 3 - File 161-93-11

Departments: San Francisco Redevelopment Agency (SFRA)

Item: Resolution approving an amendment to the Fiscal Year 1993-94 budget of the San Francisco Redevelopment Agency (SFRA).

Amount: \$79,936

Source of Funds: Surplus funds from the SFRA FY 1993-94 Budget

Description: The San Francisco Redevelopment Agency (SFRA) is requesting a budget amendment to continue the employment of two existing positions for the six month period January 1, 1994 through June 30, 1994, the last six months of FY 1993-94. The two positions are one Architectural Associate and one Senior Architect that were originally budgeted only for the six month period of July 1, 1993 through December 31, 1993.

The six month extension for the two architectural positions would allow for the fulfillment of work assignments that were not anticipated when the original FY 1993-94 budget of the SFRA was approved by the Board of Supervisors on July 19, 1993. However, the Board of Supervisors more recently approved, on August 16, 1993, Resolution No. 645-93 authorizing the SFRA to proceed with bond financing for the Children's Place facilities on Central Block Three (CB-3) in the Yerba Buena Center Redevelopment Project Area (File 91-93-1). Whereas the SFRA FY 1993-94 anticipated a hiatus in the development of the Children's Place facilities, the more recent Board of Supervisors approval of bond financing for this project has permitted its design and related pre-construction activities to move forward. SFRA advises that continuing work on the Children's Place facilities should allow the SFRA to go out to bid by early summer 1994 and begin construction in the fall of 1994.

The Children's Place facilities project would provide for the development of a skating rink, bowling center, child care facility, children's cultural building and two acres of gardens designed for use by families and youth on the block bounded by Third, Folsom, Fourth and Howard Streets above the Moscone Convention Center.

The SFRA reports that the two existing architectural positions would not only be needed for the requested six months, but for an additional two to three years in order to assist with the completion of the design development and construction documents for the proposed CB-3 Children's Place facilities.

The attached descriptions of the duties of these two positions were provided by the SFRA. Based on our review of the present 71 positions in the SFRA¹, the Budget Analyst concurs that the continuation of these two positions is justified for the additional duties described in the attachment.

Budget: Six Month Extension of Two Architectural Positions

<u>Description</u>	<u>Amount</u>
1/2 Senior Architect @ \$2,851 bw x 13.05 pay periods	\$37,206
1/2 Architectural Associate @ \$2,278 bw x 13.05 pay periods	<u>29,728</u>
Subtotal	\$66,934
Fringe Benefits	<u>13,002</u>
Total Personnel Costs	\$79,936

Comments:

1. Mr. Robert Gamble of the SFRA advises that no additional funds would be required to extend the two architectural positions because \$79,936 will be transferred from existing budgeted surplus funds for outside legal services in the Yerba Buena Center Redevelopment Project reducing the budgeted amount for these legal services by \$79,936 from \$750,000 to \$670,064.
2. The proposed extension of two positions for six months increases the overall SFRA personnel count by one full time equivalent (FTE) from 70 FTEs to 71 FTEs.
3. As note above, (a) the two subject positions are existing positions and not new positions, and (b) SFRA surplus funds will be used to continue funding these existing positions.

Recommendation: Approve the proposed resolution.

¹ Including the two architectural positions which are the subject of this resolution.

SAN FRANCISCO REDEVELOPMENT AGENCY
SENIOR ARCHITECT

DEFINITION

To serve as lead professional in the Architecture Division and to assume responsibility for the architectural and urban design work involved in specific redevelopment projects.

DISTINGUISHING CHARACTERISTICS

This is the advanced journey level class in the professional architect series. Positions in this class provide high level architectural work in design and design review.

Incumbents at this level perform and/or direct the most complex professional architectural work such as the preparation of designs, drawings, specifications and cost estimates for a variety of building and construction projects and/or building construction inspection; and perform related duties as required.

Incumbents at the Senior level may be assigned and are expected to be fully capable of being a "Team Leader" in coordinating the multi-disciplinary aspects of a given project.

SUPERVISION RECEIVED AND EXERCISED

Receives direction from the Chief, Architecture, and functional supervision from project management staff.

May perform indirect supervision over other architects, Agency staff and/or outside contractors.

EXAMPLES OF ESSENTIAL DUTIES - Essential duties may include, but are not limited to, the following:

Serve as lead person for architectural design work responsible for achieving Agency design standards in project implementation in assigned projects.

Evaluate designs prepared by architects of submitted development proposals; monitor and coordinate schedules of performance; recommend Agency approvals, as appropriate.

Represent the Chief, Architecture in negotiating and conferring with Agency consultants or with consultants to developers engaged in project execution; coordinate the consultants in the planning and design phase of assigned projects.

SAN FRANCISCO REDEVELOPMENT AGENCY
Senior Architect (Continued)

EXAMPLES OF ESSENTIAL DUTIES

Serve as consultant or provide assistance on other Agency projects (for which individual is not directly responsible) on aspects needing architectural and urban design expertise.

Plan, and give technical assistance to architects, engineers, inspectors and draftsmen engaged in architectural design and related activities necessary to the construction, maintenance and conversion of buildings in project areas.

Direct and review the preparation of complex architectural work drawing.

Direct and coordinate the architectural design phases of projects with mechanical, electrical and structural design portions of such projects.

Make periodic field inspections of projects under construction and proposed projects to assure conformance with plans and specifications and to provide data and information necessary to initiate new projects.

Prepare or manage under contract, the most difficult and complex architectural specifications and cost and quantity estimates; check and review specifications, estimates and computations prepared by consultants and staff members.

Prepare, guide, and outline of architectural procedures for consulting architects and engineers; make final inspections and acceptance of building projects.

Perform related duties as assigned.

EXAMPLES OF NON-ESSENTIAL DUTIES - Non-essential duties may include, but are not limited to, the following:

Make public presentations of new development designs.

MINIMUM QUALIFICATIONS

Knowledge of:

Principals and practices of architecture and urban design, building construction and site development, graphic arts and the techniques of drawings.

SAN FRANCISCO REDEVELOPMENT AGENCY
Senior Architect (Continued)

Knowledge of:

Laws, ordinances, codes and regulations applicable to Agency programs.

Construction techniques and materials.

Federal, State and local laws and regulations governing architecture and architectural design.

Redevelopment processes and the role of architecture in these processes.

Principles and techniques of architectural design review.

Negotiation techniques.

Ability to:

Mentally analyze, differentiate, identify, interpret, know, observe, problem solve, remember, understand, explain and count.

Exercise sound professional judgement on architectural theory to practical architectural problems.

Prepare clear and concise professional and technical evaluations and reports.

Make valid design review judgements in the context of contemporary principles of architecture and urban design.

Effectively manage the project planning effort.

Communicate clearly and concisely, both orally and in writing.

Coordinate negotiations with consultants/developers, guiding or monitoring their personnel during the planning, design and execution of an assigned project.

Supervise, train and evaluate assigned staff.

Establish and maintain effective work relationships with those contacted in the performance of required duties.

Use a computer to prepare reports and analyses.

SAN FRANCISCO REDEVELOPMENT AGENCY
Senior Architect (Continued)

Experience and Training

Any combination of experience and training that would provide the required knowledge and abilities is qualifying. A typical way to obtain the required knowledge and abilities would be:

Experience:

Six years of progressively responsible architectural and building construction experience, including two years of responsible project management experience.

Training:

Completion of a five-year college or university course, with a Bachelor's degree, with major course work in architecture.

Required Licenses and Certificates:

Registration as a licensed architect in the State of California.

SAN FRANCISCO REDEVELOPMENT AGENCY
ARCHITECTURAL ASSOCIATE

DEFINITION

To perform professional architectural/urban design work needed to prepare architectural plans, planning reports, models, perspectives, surveys and other materials/presentations related to individual redevelopment projects; and to review architectural drawings and prepare reports as required.

DISTINGUISHING CHARACTERISTICS

This is an entry level class in the professional architect class series. Positions in this class perform a range of tasks in support of higher level architects and are assigned to work independently on less complex projects. The Assistant level does not require an Architect's license and has little or no supervisory responsibility.

SUPERVISION RECEIVED AND EXERCISED

Receives direction from the Chief, Architecture or Senior Architect; functional or technical supervision from other higher level architectural staff or project management staff.

EXAMPLES OF ESSENTIAL DUTIES - Essential duties may include, but are not limited to, the following:

Assist higher level architects in design and design review functions; develop design criteria and prepare drawings.

Prepare architectural plans models, perspectives, maps, charts and other graphic presentations of physical designs, coordinating the completion of these activities.

Prepare graphic studies of transportation, traffic, land use, highway and street systems, as required.

Collect and assemble data, maps, books and field investigations for use in planning studies, presentations, and architectural projects.

Perform site photography for recording existing land use and documentation of architectural facades for use in various reports/presentations.

SAN FRANCISCO REDEVELOPMENT AGENCY
Architectural Associate

EXAMPLES OF ESSENTIAL DUTIES

Conduct studies and write reports, including Agency Commission reports, on specifically assigned projects in the fields of architecture and urban design. May also work on subdivisions, traffic and transportation and urban revitalization and redevelopment projects as assigned.

Perform research and field surveys related to Environmental Impact Reports and other assigned matters. May assist in drafting such reports as necessary.

Develop and help maintain filing system for materials, drawings, slides and other architectural information.

May conduct original research on architectural and urban design projects.

May guide technical support staff related to the assigned work.

Perform related duties as assigned.

MINIMUM QUALIFICATIONS

Knowledge of:

Architectural theory; principles of architectural design.

Basic understanding of practices and procedures of professional architects.

Basic principles of city planning, urban design, and redevelopment processes.

Graphic principles and techniques, including photography.

Ability to:

Mentally analyze, differentiate, identify, interpret, know, observe, problem solve, remember, understand, explain and count.

Perform design tasks and provide professional architectural work required to assist other professional architectural staff.

SAN FRANCISCO REDEVELOPMENT AGENCY
Architectural Associate

Ability to:

Perform site photography for recording existing land use and documentation of architectural facades.

Assist in design review functions.

Conduct research and prepare technical reports.

Prepare maps, drawings, charts, and graphics.

Establish and maintain effective work relationships with those contacted in the performance of required duties.

Communicate clearly and concisely, both orally and in writing.

Use a personal computer.

Experience and Training

Any combination of experience and training that would provide the required knowledge and abilities is qualifying. A typical way to obtain the required knowledge and abilities would be:

Experience:

Two years of experience in a professional architectural capacity.

Training:

Equivalent to completion of a five year architectural program graduating with a degree in architecture. Course work in urban design or city planning is also desirable. Specialized study toward securing a California Architect's license is desirable.

Item 4 - File 82-93-13

Departments: Real Estate Department
Airports Commission

Item: Resolution authorizing the acquisition of 18 noise easements from the City of Daly City as part of the City of Daly City's Aircraft Noise Insulation Project-Phase I.

Amount: \$55,004

Description: The San Francisco International Airport's Noise Easement Acquisition Program consists of insulating private residences and schools in the City of Daly City and other cities that are located near the San Francisco Airport.

Acquisition of these easements constitutes Phase I of the City of Daly City Project. The proposed resolution, which would authorize the acquisition of 18 noise easements, would represent the first easements to be purchased in the City of Daly City by San Francisco.

Once purchased, the noise easements would remain in effect for 20 years. The estimated cost to the City to acquire the easements is \$55,004 or 20 percent of the total \$275,020 for construction costs to insulate the residences. The City of Daly City would be responsible for the remaining 80 percent or \$220,016 of the total construction costs, which would be paid for by Federal grant funds.

Comments:

1. As noted above, the costs to the City of acquiring the 18 additional noise easements is estimated at \$55,004. Mr. Marvin Ellis of the Airport reports that these funds are included in the Airport's FY 1993-94 operating budget for the noise monitoring program.
2. The City Attorney's Office has previously reported that the purchase of noise easements enables the City to comply with State legal requirements and should result in eliminating costs to defend against noise-related small claims lawsuits.

Recommendation: Approve the proposed resolution.

Memo to Budget Committee
December 8, 1993

Item 5 - File 100-93-11.1

Note: This item was continued from the November 10, 1993 Budget Committee Meeting.

This item is a hearing to consider an update of the summary of revenues and expenses for Fiscal Year 1993-94.

On November 8, 1993, the Controller and Budget Analyst submitted a joint report to the Budget Committee which consolidated prior revenue and expense reports submitted by the Mayor's Office and the Controller's Office. This report identified \$41,558,015 in additional potential expenditures noted by the Mayor's Office. This report indicated that the General Fund Reserve balance would be reduced to \$5,089,663 if all of these potential expenditure items were submitted as supplemental appropriations by the Mayor and approved by the Board of Supervisors in fiscal year 1993-94. Additionally, other potential expenditures not on the Mayor's list totalled \$750,558, which could further reduce the General Fund Reserve balance to \$4,339,105.

On December 2, 1993, the Controller's Office issued the attached memorandum (Attachment 1) on the Status of Available Funds and Supplemental Appropriation Requests to the Budget and Government Efficiency and Labor Committee Members. As reflected in this updated report, a total of \$62,532,759 of General Fund supplemental appropriation requests are currently pending in the Controller's Office. This reflects an increase of \$20,224,186 from the \$42,308,573 (\$41,558,015 plus \$750,558) of additional potential expenditures identified in the November 8, 1993 joint report. If all of these supplemental appropriation requests were submitted by the Mayor and approved by the Board of Supervisors, it would result in a \$9,580,510 General Fund deficit in fiscal year 1993-94. The Controller's Office further cautions that, at this time of the year when the City has not yet received most of the property, business or other tax receipts for fiscal year 1993-94, it would be imprudent to appropriate all or most of the available \$10 million General Fund Reserve, since some amount of revenue shortfall may still result, thereby possibly necessitating the use of some portion of the General Fund Reserve.

The Mayor's Office forwarded the attached report (Attachment 2) to the Budget Analyst's Office on December 6, 1993. This report identifies a total of \$55,121,206 of General Fund supplemental appropriation requests pending in the Mayor's Office, or \$7,411,553 less than the amount of \$62,532,759 identified by the Controller's Office. According to Ms. Theresa Lee of the Mayor's Office, the total amount of the Mayor's Office's supplemental appropriation requests is \$7,411,553 less than the Controller's Office because (a) the Public Health program funding for six months on the Mayor's report is \$2,411,553 less based on a revised supplemental and (b) the Mayor's report does not include the \$5.5 million of Muni's potential needs because, according to Ms. Lee, Muni has not yet submitted any supplemental appropriation requests. Of the \$55,121,206 requests submitted to the Mayor's Office, the Mayor's Office has identified a total of 19 General Fund supplemental appropriations at a total cost of \$46,937,278 that the Mayor recommends for funding for fiscal year 1993-94.

BOARD OF SUPERVISORS
BUDGET ANALYST

The Mayor is not recommending that the balance of \$8,183,928, which includes the following departmental requests:

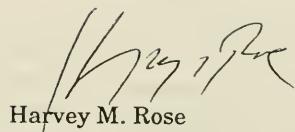
Fire Department - Labor Agreements*	\$ 348,382
Sheriff - New Jail Staffing and Furniture and Fixtures	4,014,035
Police - Add Staffing*	579,954
Police OCC	116,674
District Attorney - Salaries*	237,508
District Attorney - Child Abduction Unit	159,065
District Attorney - Dictaphone	28,849
Parking & Traffic - St. Mary's Garage	260,000
Parking & Traffic - SFGH Garage	285,000
Parking & Traffic - City Attorney	309,000
Parking & Traffic - Workers Compensation	389,000
Parking & Traffic - Vechicle Maintenance	93,500
Assessor	337,245
Rec/Park - City Attorney	260,000
Juvenile Probation - Salaries*	250,497
Registrar - Election Costs	45,400
SFGH GA/SSI Resource Center	197,663
Adult Probation - Add Staff	130,081
Library - Relocate Mission Branch	<u>142,075</u>
Total	\$8,183,928

* Supplemental Funding recommended by Mayor's Office, but at a reduced level.

It should also be noted that based on more recent projections by the Retirement System, the Mayor's report includes an additional \$3 million for the last six months of fiscal year 1993-94, or \$12 million in lieu of \$9 million in additional revenue from the recalculation of retirement rates. If all of the \$46,937,278 supplemental appropriation requests were submitted by the Mayor and approved by the Board of Supervisors, it would result in a \$9,014,971 General Fund Reserve balance (\$52,952,249 General Fund balance plus \$3.0 million of additional Retirement Funds for total available revenues of \$55,952,249 less \$46,937,278).

However, neither the Controller's report nor the Mayor's report quantify the amount of the Workers Compensation supplemental appropriation that would be required. It is estimated that approximately \$3 million to \$5 million of additional General Fund Workers Compensation funds will be needed in fiscal year 1993-94. Furthermore, as previously noted, the Mayor's report does not include the estimated \$5.5 million of Muni's potential needs and revenue shortfalls. Together, the Workers Compensation and Muni items not included in the Mayor's report, total between \$8.5 million and \$10.5 million. If these two items are funded at the above noted levels, it would ultimately result in a General Fund Reserve balance of from a \$514,971 surplus to a \$1,485,029 deficit in fiscal year 1993-94.

Memo to Budget Committee
December 8, 1993



Harvey M. Rose

cc: Supervisor Migden
Supervisor Hsieh
President Alioto
Supervisor Bierman
Supervisor Conroy
Supervisor Hallinan
Supervisor Kaufman
Supervisor Kennedy
Supervisor Leal
Supervisor Maher
Supervisor Shelley
Clerk of the Board
Chief Administrative Officer
Controller
Teresa Serata
Robert Oakes
Ted Lakey

*MD
Debra
NEWAN*

MEMORANDUM

December 2, 1993

Board of Supervisors Budget and Government Efficiency
Committee Members

FROM: Ed Harrington *E Harrington*

SUBJECT: Status of Available Funds and Supplemental Appropriation
Requests

At your December 1, 1993 joint meeting you requested a report on the status of available funds and supplemental appropriation requests to be provided by the Mayor and reviewed by your Budget Analyst and my office. Since the Mayor is in the process of reviewing these requests to determine which items he might recommend, that report will not be available until next week. In the meantime, I offered to provide you with a list of the items which have been filed with the Controller. That list is attached.

General Comments:

- o The attached report shows what has been requested. It is probable that the Mayor will reduce or reject some of the items listed.
- o I have only listed items with a General Fund impact. Other non-General Fund supplementals are expected as is normal for any year.
- o The first column of this report matches to the final column on our November 10 report so that new information is clearly separated for your review. The second column represents revisions which have had public discussion. The fourth column shows what has been filed with the Controller's Office--in some cases the requested amount differs from our earlier estimates; in other cases, the items are new and are being reviewed.

Available Funds

- o The General Fund Reserve shows \$10 million of "available" funds. However, at this stage in the year where we have received little or no property, business or other tax receipts, it would be imprudent to appropriate all or most of these funds at this time. Some portion must be available to offset potential revenue shortfalls.

- o I have added \$1.9 million of additional funds available from the Reserve for Employee Displacement. Since the number of positions ultimately affected by this budget was considerably less than the budget as originally submitted, only a portion of this reserve was required. The \$1.9 million represents the remaining balance after all eligible requests from departments have been funded. Please note that no request has been received related to the costs of Senior Escort layoffs (severance pay is in the SEIU contract and would not be paid until litigation is completed.)
- o I have not added any funds related to the Parking Fine Amnesty Program. While it is estimated that this program generated approximately \$2 million, the Parking & Traffic Department estimates these funds will be needed to partially offset a shortfall in total Parking Fine collections.

Expenditures

Please see footnotes related to the report detailing expenditure information where appropriate.

My staff and I are available to answer any questions you might have on these items.

cc: Mayor Jordan
Teresa Serata
Harvey Rose

City and County of San Francisco
 1993-94 Mid-Year Budget Discussion
 December 2, 1993

Funding Available:

Half Cent Sales Tax
 Retirement Change
 Controller Reserves
 General Fund Reserve
 Remaining Board Reserves
 Displacement Reserve
 Total Available:

Original Estimate (11/10/93)	Revisions	Revised Estimate	Amount of Pending Supplemental Requests	Variance (Supplements - Revised Estimate)
\$22,000,000		\$22,000,000	\$22,000,000	
\$9,000,000		\$9,000,000	\$9,000,000	
\$5,578,015		\$5,578,015	\$5,578,015	
\$10,069,663	(\$35,595)	\$10,034,068	\$10,034,068	
	\$4,409,166	\$4,409,166	\$4,409,166	
	\$1,931,000	\$1,931,000	\$1,931,000	
\$46,647,678	\$6,304,571	\$52,952,249	\$52,952,249	

Funding Needed:Programs Funded for 6 Months:

Public Health
 Public Library
 Muni Maintenance
 DPW Street Cleaning
 Zoo Partnership

\$15,935,000		\$15,935,000	\$18,348,551	\$2,411,55
	\$4,000,000	\$4,000,000	\$4,000,000	
\$2,000,000		\$2,000,000	\$1,493,022	(\$506,97)
\$135,000		\$135,000	\$135,000	
\$200,000		\$200,000	\$200,000	

勞工協議:

Police
 Fire

\$2,000,000		\$2,000,000	\$2,000,000	
\$3,000,000	\$1,900,000	\$4,900,000	\$5,248,382	\$348,38

潛在需求/短缺-開支:

Social Services/GA
 New Jail-Operating
 -Overruns
 Sheriff-Salaries
 Police-Overtime
 Police-Add Staffing
 Police-Increase salaries for OCC
 Police-911 Repairs
 District Attorney-Salaries
 District Attorney-Child Abduction Unit
 District Attorney-Dictaphone
 Public Health-Forensics
 Parking & Traffic-St. Mary's Garage
 Parking & Traffic-SFGH Garage
 Parking & Traffic-City Atty
 Parking & Traffic-Workers Comp
 Parking & Traffic-Vehicle Maintenance
 Court/Public Defender

\$5,678,015		\$5,678,015	\$5,778,015	\$100,00
\$4,500,000	\$1,000,000	\$5,500,000	\$4,014,035	(\$1,485,96)
	\$3,000,000	\$3,000,000	\$3,000,000	
\$1,000,000		\$1,000,000	\$1,416,638	\$416,63
\$2,400,000		\$2,400,000	\$2,400,000	
\$2,000,000		\$2,000,000	\$2,329,954	\$329,95

Police-Increase salaries for OCC
 Police-911 Repairs
 District Attorney-Salaries
 District Attorney-Child Abduction Unit
 District Attorney-Dictaphone
 Public Health-Forensics
 Parking & Traffic-St. Mary's Garage
 Parking & Traffic-SFGH Garage
 Parking & Traffic-City Atty
 Parking & Traffic-Workers Comp
 Parking & Traffic-Vehicle Maintenance
 Court/Public Defender
 Assessor
 Rec and Park-City Atty
 911 Project-OES
 Tax Collector
 Juvenile Probation - Salaries & Maint.
 Registrar - Election Costs
 SFGH GA/SSI Resource Center
 Adult Probation-Add Staffing
 Library-Relocate Mission Br.
 Workers Compensation

\$1,000,000		\$1,000,000	\$1,237,508	\$237,50
			\$159,065	\$159,06
			\$28,849	\$28,84
			(\$600,00	
\$500,000		\$600,000	\$260,000	\$260,00
\$260,000		\$260,000	\$285,000	\$285,00
			\$309,000	\$309,00
			\$389,000	\$389,00
			\$93,500	\$93,50
			\$1,721,775	\$1,721,77
			\$337,245	\$337,24
			\$260,000	\$260,00
			(\$130,73	
			\$120,847	\$20,84
			\$350,497	\$350,49
			\$220,400	
			\$197,663	\$197,66
			\$130,081	\$130,08
			\$142,075	\$142,07
			?	

潛在需求/短缺-收入:

Muni Fare Problem
 Muni-State Revenue Shortfall

\$500,000		\$5,000,000	\$5,000,000	
		\$500,000	\$500,000	

Total Needs Reponed:

\$41,558,015	\$15,170,400	\$56,728,415	\$62,532,759	\$5,804,34
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Surplus (Deficit):

\$5,059,663	(\$8,865,829)	(\$3,775,166)	(\$9,580,510)	
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City and County of San Francisco
1993-94 Mid-Year Budget Discussion
December 2, 1993

Notes

1. Retirement Board is scheduled to meet December 21 to consider revised City contribution rates effective January 1, 1994. General Fund impact is estimated to be approximately \$9 million. Amount will not be known with certainty until the Retirement Board action is final.
2. Remaining Board reserves for Library (\$4M) and other programs net.
3. Displacement Reserve per budget: \$2,251,000
Cost for employees laid off to date: (320,000)
Amount available for general funding needs: \$1,931,000
4. Includes funding for Community Public Health Services, Mental Health and Substance Abuse Services, S. F. General Hospital, Laguna Honda Hospital, Mission Alcohol and CE&I Programs.
5. Maintains Muni Railway maintenance program at current level of funding for second six months of fiscal year and includes \$800,000 for increased fuel costs.
6. Budget anticipated savings equivalent to 5% salary increase. An additional \$1.5 million is to come from work furlough program which has not yet begun.
7. Firefighters were expected to amend their MOU to provide for savings, primarily from a work furlough program. MOU has not been amended to realize those savings, however other savings, which the Mayor estimates to be worth \$2.6 million, are in an MOU pending at the Board of Supervisors.
8. General Assistance costs over amount provided in budget. \$100,000 included for fingerprinting program.
9. 10. Estimated cost of completing construction, staff recruitment and training for new jail. \$4 million shown as supplemental request is Sheriff only; includes funding for furniture and fixtures. Estimated \$1.5 million supplemental for DPH Forensics has not been received.
11. DA anticipates partial funding from non-general fund sources for this new unit. The availability of these funds will not be known until April 1994.
12. Estimated need from Public Health Forensics. No Supplemental Appropriation Request has been submitted, therefore, this amount may not be needed.
13. Cost of court appointed counsel when Public Defender services were unavailable (\$1,221,775) and indigent criminal defense in capital cases (\$500,000) for Superior Court.
14. Project management services by CAO for 911 project recently approved by Board of Supervisors Committee.
15. Additional staff for Tax Collector to implement new jobs credit program.
16. Augment security and maintenance services at Juvenile Court. May be eligible for grant funds.
17. Workers compensation costs to date indicate a potential overrun. However, data currently available is not adequate to project the amount of the overrun with certainty. Could range from \$3 to \$5 million General Fund cost.
18. Data from Muni fares through October indicates a potential shortage of as much as \$5 million. State revenues are \$0.5 million under budget estimate.

	Notes	Controller's		Department's Request	Mayor's Recommended
		Revised Estimate	Dec. 2, 1993		
Funding Available:					
Half-cent sales tax		22,000,000		22,000,000	
Retirement Change	1	9,000,000		12,000,000	
Controllers' Reserve		5,578,015		5,578,015	
General Fund Reserve		10,034,068		10,034,068	
Remaining Board Reserves		4,409,166		4,409,166	
Displacement Reserves		1,931,000		1,931,000	
Total Available:		52,952,249		55,952,249	
Mayor Approved Supplements:				48,937,278	
Surplus/Deficit				9,014,971	
Funding Needed:					
<i>Programs Funded for 8 Months</i>					
Public Health		15,835,000	15,935,000	15,935,000	
Public Library		4,000,000	4,000,000	4,000,000	
Muni Maintenance		2,000,000	1,493,022	1,493,022	
DPW Street Clean		135,000	135,000	135,000	
Zoo Partnership		200,000	200,000	200,000	
<i>Labor Agreements</i>					
Police		2,000,000	2,000,000	2,000,000	
Fire	2	4,900,000	5,248,382	4,900,000	
<i>Potential Needs Shortfalls-Expenditures</i>					
Social Services GA		5,678,015	5,778,015	5,778,015	
Sheriff: New Jail		5,500,000	4,014,035	0	
Overrun		3,000,000	3,500,000	3,500,000	
Sheriff Salaries		1,000,000	1,416,636	1,416,636	
Police Overtime		2,400,000	2,400,000	2,400,000	
Add Staffing		2,000,000	2,329,954	1,750,000	
Police OCC		116,674		0	
Emergency plumbing repair at 911			142,715	142,715	
District Attorney Salaries		1,000,000	1,237,508	1,000,000	
District Attorney - Child Abduction Unit	3		159,065	0	
District Attorney-Dictaphone			28,849	0	
Public Health-Forensics	4	600,000			
Parking & Traffic-St Mary's Garage	5	280,000	280,000	0	
Parking & Traffic-SFGH Garage	6		285,000	0	
Parking & Traffic City Attorney			309,000	0	
Parking & Traffic-Workers Comp			369,000	0	
Parking & Traffic Vehicle Main			93,500	0	
Court/Public Defender			1,721,775	1,721,775	
Assessor			337,245	0	
Rec/Park City Attorney			280,000	0	
911 Project		300,000	169,268	169,268	
Tax Collector		100,000	120,847	120,847	
Juvenile Probation/Salaries	7		350,497	100,000	
Registrar-Election costs		220,400	220,400	175,000	
SFGH GAUSS Resource Center	8		197,663	0	
Adult Probation/add staff	9		130,081	0	
Library Relocate Mission Branch	10		142,075	0	
Worker's Compensation	11	?		?	
Potential Needs/Shortfalls-Revenues					
Muni Fare Projected shortfall	12	5,000,000			
Muni State revenue shortfall	13	500,000			
Total:		56,728,415	55,121,206	48,937,278	

Notes

This chart reflects the Mayor's recommendations to fund the most critical and essential supplementals and considers potential future needs and revenue shortfall by maintaining a minimum level of general fund reserve.

1. This increase of \$3 million reflects the most recent projections by the Retirement System due to recalculation of the rates.
2. The \$4.9 Million reflects salaries/fringes/overtime and factors in the approval of the addendum to the Fire Union's MOU .
3. Reviewing alternative funding source for this activity.
4. Public Health will absorb costs for forensics in their \$15.9 supplemental.
5. Reviewing alternative funding source.
6. This supplemental has been withdrawn.
7. The mayor will review the Juvenile Justice Task Force's final recommendations due in January prior to forwarding any supplementals with the exception of staff security/safety equipment.
8. The SFGH/SSI Resource Center was funded \$200,000 and has not yet begun implementation as of December 3, 1993. The Mayor's Office wants to review the status of the operations prior to expanding the program.
9. Reviewing alternative funding source.
10. Reviewing alternative funding sources with the community.
11. Worker's Compensation costs to date indicate a potential overrun. However, data currently available is not adequate to project the amount of the overrun with certainty. The potential General Fund cost could range from \$3 to 5 million.
12. The Department is reviewing options to address the shortfall.
13. The Department is reviewing options to address the state shortfall.

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CALENDAR .. Action Taken

* **JOINT BUDGET/GOVERNMENT EFFICIENCY & LABOR COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO**

WEDNESDAY, DECEMBER 15, 1993 → 1:30 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS MIGDEN, HALLINAN, HSIEH, KAUFMAN, ALIOTO,
LEAL

CLERK: KAY GULBENGAY

1. File 93-93-14. [MOU – Agreement to Extend] Resolution ratifying addendum to Memorandum of Understanding with San Francisco Firefighters Union, Local 798. (Office of Mayor's Employee Relations Division)
(Continued from 12/1/93)

ACTION: Hearing held. Amended on page 1 line 20 by adding "FURTHER RESOLVED, That the Board of Supervisors requests that the Mayor's Office, the Controller, the Budget Analyst and the Fire Department file with the Budget Committee by July 1, 1994 a written report explaining the fiscal and staffing impacts of the implementation of the Addendum to the Memorandum of Understanding referred to in this Resolution."
Recommended as amended.

2. File 93-93-14.1. [Addendum to MOU – Firefighters] Resolution implementing an amendment to the provisions of the agreement between San Francisco Firefighters Union, Local 798 and City and County of San Francisco pursuant to Charter Section 8.590 et seq., effective July 1, 1993. (Office of Mayor's Employee Relations Division)
(Continued from 12/1/93)

ACTION: Hearing held. Recommended.

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CITY AND COUNTY



Public Library, Documents Dept.
OF SAN FRANCISCO *REBEN*: Jane Judson

DOCUMENTS DEPT.

DEC 15 1993

SAN FRANCISCO
PUBLIC LIBRARY

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

December 13, 1993

TO: *Joint Budget/Government Efficiency and Labor Committee*

FROM: *Budget Analyst*

SUBJECT: December 15, 1993 Joint Budget/Government Efficiency and Labor Committee Meeting

Items 1 and 2 - Files 93-93-14 and 93-93-14.1

Note: These items were continued by the Budget/Governmental Efficiency and Labor Committee at its meeting of December 1, 1993.

Department: Mayor's Office

Items: 93-93-14 -- Resolution ratifying an addendum to Memorandum of Understanding (MOU) with the San Francisco Firefighters Union, Local 798.

93-93-14.1 -- Ordinance implementing an amendment to the provisions of the agreement between San Francisco Firefighters Union, Local 798 and the City and County of San Francisco pursuant to Charter Section 8.590 et seq, effective July 1, 1993.

Description: The working conditions and pay of Firefighters and Officers of the Fire Department are currently governed by a three-year Memorandum of Understanding covering Fiscal Years 1992-93, 1993-94 and 1994-95. The proposed items would approve seven amendments to the MOU between the San Francisco Firefighters Union, Local 798 and the City and County of San Francisco. These items were prepared before the November, 1993 election and anticipated passage of certain Charter Amendments. However, the Charter Amendments were not

approved. Therefore, those MOU amendments contingent upon approval of Charter Amendments are no longer applicable. The following is a description of the seven amendments to the MOU.

1. Holidays: Currently, uniformed personnel, who perform fire suppression duties on any of the City's official holidays, receive holiday pay at time and a half. In FY 1993-94 all members of the bargaining unit who perform fire suppression duties would receive compensatory time off at time and a half or 18 hours a day (fire suppression uniform personnel normally work 24 hours, but according to the MOU the basis for computing compensatory time off would be one-half day, 12 hours, at time and a half, or 18 hours) of such compensatory time off, instead of cash compensation for working the following six holidays: Martin Luther King's Birthday, President's Day, Labor Day, Columbus Day, Veterans' Day and Memorial Day or a total of 108 hours (6 Holidays at 18 hours per Holiday). There are currently 1,303 members of the San Francisco Firefighters Union, Local 798 who would receive compensatory time off instead of cash compensation holiday pay for the six holidays specified under the proposed MOU amendment.

In addition, uniformed Fire Department personnel who perform administrative functions and receive Staff Duty Assignment Pay as compensation for holidays would have their pay reduced by an amount equal to the six holidays for which the other members of the bargaining unit would receive compensatory time off. Currently, 26 members of the San Francisco Firefighters Union, Local 798 receive Staff Duty Assignment Pay.

Staff Duty Assignment Pay is a pro-rated increase in the salary of uniformed Fire Department personnel who perform administrative functions equal to the holiday overtime pay received by uniformed Fire Department personnel performing fire suppression duties. According to Chief Howard Slater of the Fire Department, the Staff Duty Assignment Pay was designed to maintain the same level of income for Fire Fighters assigned to administrative duties that they would receive for performing fire suppression duties.

Additional Costs or Savings Associated with the Proposed Compensatory Time Instead of Holiday Pay: The Fire Department estimates that the proposed compensatory time off instead of overtime pay for the bargaining unit members who work the six holidays would

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Budget/Government Efficiency and Labor Committee
December 15, 1993 Joint Budget/Government Efficiency and Labor Committee
Meeting

save approximately \$2.56 million in FY 1993-94. The Budget Analyst concurs with this estimate. However, there would be an offsetting cost if the Fire Department could not fully staff all Fire Stations when bargaining unit members take their compensatory time off. In that event, Firefighters paid at overtime rates would be used to staff Fire Stations because of increased use of compensatory time off in the future, resulting in increased costs to the Fire Department. Because the uniformed personnel that receive the compensatory time off could take that time off at any time before the bargaining unit members' retirements, the costs would most likely occur over several fiscal years.

However, in anticipation of approval of this proposed MOU change, the Fire Department has credited the 1,303 represented members with compensatory time off instead of Holiday Pay for Labor Day (September 6, 1993), Columbus Day (October 11, 1993) and Veterans' Day (November 11, 1993). The 1,303 employees each received 54 hours (3 days at 18 hours per holiday) of accrued compensatory time off for a total of 70,362 hours (1,303 employees x 54 hours).

Chief Slater reports that Fire Department policy requires that any compensatory time off must be scheduled in advance to insure that Fire Stations are adequately staffed at all times. The Fire Department projects staff levels on a daily basis and limits time off accordingly. According to Chief Slater, these projections are usually quite accurate except for unpredictable events such as employees not reporting for work due to illness.

According to Fire Department records, employees in the Fire Suppression Division (that could require other staff to work overtime to maintain full staffing of Fire Stations) were allowed to take 7,560 hours of the accrued compensatory time off, either compensatory time off that they had previously earned or holiday compensatory time off earned pursuant to the proposed MOU, during the three month period from September 6 to December 6, 1993 or an average of 2,520 hours per month. Chief Slater indicates that based on the Fire Department's daily staffing projections, only 3,144 of the 7,560 hours (or 41.6 percent) of compensatory time off granted during the three-month period required other employees to work overtime in order to maintain full coverage at all Fire Stations.

Memo to Budget/Government Efficiency and Labor Committee
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Chief Slater indicates that based on the current staffing level of the Fire Department, only an average of 2,520 hours of compensatory time off will be granted each month through the end of Fiscal Year 1993-94 regardless of how much regular or holiday compensatory time off is earned during the year. At the rate of 2,520 hours per month of compensatory time off granted, on an annual basis, the Fire Department would grant 30,240 hours of compensatory time off. Based on prior experience, it is estimated that 41.6 percent or 12,580 of those 30,240 hours would have to be backfilled by staff on overtime. At an average hourly rate of \$40.50 (\$27 at time and one half), the 12,580 hours would cost the Fire Department \$509,490 annually. However, Chief Slater advises that this cost would occur normally every year whether or not the proposed MOU is approved because Fire Department staff earn more compensatory time off annually (regular or proposed holiday compensatory time off) than the Fire Department will allow to be taken (granted) in any year. Also, the amount of this \$509,490 that is attributable to "holiday" compensatory time off is not known because separate accounts are not maintained for holiday and regular compensatory time off.

Chief Slater reports that pursuant to requirements of the Consent Decree, 126 new Firefighters will be hired by April, 1995. At that time Chief Slater predicts that unless the number of retirees increases from the current average of 48 annually, the Fire Department will have sufficient staffing, thereby resulting in no need to require staff to work overtime to backfill staff which will be granted compensatory time off (in lieu of cash compensation for the six holidays in accordance with the provisions of this subject MOU).

In the worst case scenario, if all of the holiday compensatory time off that could be earned pursuant to the proposed MOU change required backfilling by staff working overtime, the total estimated cost for the 1,303 currently eligible staff would be \$11,398,644 (1,303 staff x 18 hours x 6 holidays per year x 2 years x \$40.50 per hour overtime pay rate). However, based on current Fire Department policy limiting the use of compensatory time off to approximately 2,520 hours per month, it is estimated that the cost would be \$509,490, which, as noted above, according to Chief Slater, would occur whether or not the proposed MOU is approved.

Any compensatory time off that cannot be taken off by an employee before the employee retires must be paid in a cash lump-sum payment to the employee upon retirement. Therefore, at the retirement of such an employee, the Fire

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Budget/Government Efficiency and Labor Committee
December 15, 1993 Joint Budget/Government Efficiency and Labor Committee
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Department will incur the full value cost of the unused holiday compensatory time off at time and one-half. The Fire Department does not have an estimate of the annual cost of such lump-sum cash payments because there is no prior experience for such payments for "holiday" compensatory time off and because the Fire Department expects to soon be fully staffed so that the annual amount of compensatory time off granted (currently approximately 2,520 hours per month) can be increased resulting in a reduction in accumulated compensatory time off that would require lump-sum cash payments in the future.

2. Accumulation of Compensatory Time: The maximum amount of accumulated compensatory time would be increased by 108 hours from the current maximum compensatory time accumulated of 480 hours to 588 hours to reflect the proposed 108 hours of compensatory time described above. All of the proposed 108 hours of accumulated compensatory time would have to be used before retirement.

Additional Costs or Savings Associated with the Proposed Increased Accumulation of Compensatory Time: The costs associated with holiday compensatory time off has been explained above.

3. Vested Sick Leave Accumulation: Beginning July 1, 1993 through June 30, 1995 or for two years, members of this bargaining unit would receive vested sick leave accumulation for unused Sick Days (employees are allowed 13 Sick Days per year) according to the following formula:

<u>Sick Days Used Per Year</u>	<u>Remaining Unused Sick Days</u>	<u>Vesting Percentage</u>	<u>Sick Days Vested</u>
0	13	75%	9.75 (13 x 75%)
1-4	9.12	50%	4.5-6 (9.12 x 50%)
5-6	7.8	25%	1.75-2 (7.8 x 25%)

Vested sick leave means that the percent of sick leave time not used (as outlined above) will accrue to the employee in the form of monetary compensation when the employee separates from the Fire Department. If an employee uses seven or more sick days in one year, the employee will not vest the remaining unused sick days.

BOARD OF SUPERVISORS
BUDGET ANALYST

The maximum ceiling for accumulation of sick leave days would be raised by 24 days from the current ceiling of 106 Sick Days to 130 Sick Days.

These bargaining unit members cannot currently vest their accumulated sick leave time.

Additional Costs or Savings Associated with the Proposed Vested Sick Leave Accumulation: Chief Slater reports that in FY 1992-93, 270 uniformed staff did not take any sick leave and 543 took between one and six Sick Days. If this same pattern were to continue for FY 1993-94 and FY 1994-95, 813 uniformed staff (270 plus 543) would vest 14,856 Sick Days. At an average cost of \$213.72 per Sick Day for Firefighters, the cost of 14,856 vested Sick Days is \$3,175,024. This \$3,175,024 cost would be a future cost to the City because uniformed staff would be paid for vested sick leave when they retire.

However, if the proposed MOU amendment is approved, the potential for bargaining unit members to receive cash compensation for a percentage of unused sick leave time would give uniformed Fire Department personnel an incentive to use less sick leave.

4. Early Retirement: A Charter amendment on the November, 1993 election ballot allowing for early retirement of members of this bargaining unit between January 1, 1994 and December 31, 1994 was not approved by the voters.

5. Negotiability of Pension Benefits: A Charter amendment on the November, 1993 election ballot transferring Tier II members of the Fire Department to the Public Employees Retirement System (PERS) was not approved by the voters. (Tier II members were hired after November 2, 1976.)

6. Furloughs: Under the proposed amendment to the MOU, there could be no layoffs or furloughs of Union employees during FY 1993-94. The fiscal impact would be that the City could not reduce the Fire Department's workforce during FY 1993-94.

7. Charter Amendments: There would be no Charter amendments submitted to the voters of the City and County of San Francisco in November, 1993 or in June of 1994 which affect the wages, hours or working conditions of Union employees unless agreed to by the parties to the MOU. No

Memo to Budget/Government Efficiency and Labor Committee
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such Charter amendment was placed on the November, 1993 ballot.

Comments:

1. In sum, the proposed MOU amendments would result in the following savings and costs, based on information provided by the Fire Department:

FY 1993-94 Holiday Pay Savings	(\$2,560,000)
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Holiday Compensatory Time Off Maximum Possible Cost (Probably in Future Years)	\$11,398,644
Estimated Annual Cost Based on Current Department Policy (As noted above, this cost would occur whether or not the proposed MOU changes are approved)	\$509,490

Vested Sick Leave (Future fiscal years)	\$3,175,024
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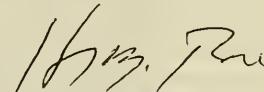
Of all of the above projected costs and savings the only item that will definitely be realized by the Fire Department in Fiscal Year 1993-94 is the savings of \$2.56 million from Holiday Pay.

2. The Mayor's Office and the Fire Department reduced the Fire Department's budget by a total of approximately \$6.4 million (salaries and fringe benefits) in anticipation of the San Francisco Firefighter's Union, Local 798 accepting a salary freeze and holiday pay decreases. The \$2.56 million estimated savings from eliminating cash compensation for working the six holiday days was included in the \$6.4 million budget reduction. According to Chief Slater, the Firefighter's Union, Local 798 did not accept the salary increase freeze for FY 1993-94 and the proposed MOU rejects a work furlough program that would have resulted in a savings equal to the additional cost of the salary increases. Therefore, by not accepting the salary freeze and other concessions, only \$2.56 million of the anticipated \$6.4 million savings will be realized. A supplemental appropriation ordinance is currently before the Budget Committee (Item 23, File 101-93-47 on the December 15, 1993 calendar) to appropriate \$4.9 million in order for the Fire Department to maintain full staffing through the end of Fiscal Year 1993-94.

Memo to Budget/Government Efficiency and Labor Committee
December 15, 1993 Joint Budget/Government Efficiency and Labor Committee
Meeting

Conclusion: Based on the clarified explanation of the Fire Department concerning its policy for limiting the use of compensatory time off by Firefighters, the Budget Analyst concludes that the estimated savings for the current, 1993-94 Fiscal Year of approximately \$2.56 million is valid.

Recommendation: Approval of the proposed resolution and ordinance are policy matters for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Migden
Supervisor Hallinan
Supervisor Hsieh
Supervisor Kaufman
President Alioto
Supervisor Leal
Supervisor Bierman
Supervisor Conroy
Supervisor Kennedy
Supervisor Maher
Supervisor Shelley
Clerk of the Board
Chief Administrative Officer
Controller
Teresa Serata
Robert Oakes
Ted Lakey

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BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

Revised

December 14, 1993

TO: Joint Budget/Government Efficiency and Labor Committee

FROM: Budget Analyst

SUBJECT: December 15, 1993 Joint Budget/Government Efficiency and Labor Committee Meeting

Items 1 and 2 - Files 93-93-14 and 93-93-14.1

Note: These items were continued by the Budget/Governmental Efficiency and Labor Committee at its meeting of December 1, 1993.

Department: Mayor's Office

Items: 93-93-14 -- Resolution ratifying an addendum to Memorandum of Understanding (MOU) with the San Francisco Firefighters Union, Local 798.

93-93-14.1 -- Ordinance implementing an amendment to the provisions of the agreement between San Francisco Firefighters Union, Local 798 and the City and County of San Francisco pursuant to Charter Section 8.590 et seq, effective July 1, 1993.

Description: The working conditions and pay of Firefighters and Officers of the Fire Department are currently governed by a three-year Memorandum of Understanding covering Fiscal Years 1992-93, 1993-94 and 1994-95. The proposed items would approve seven amendments to the MOU between the San Francisco Firefighters Union, Local 798 and the City and County of San Francisco. These items were prepared before the November, 1993 election and anticipated passage of certain Charter Amendments. However, the Charter Amendments were not

approved. Therefore, those MOU amendments contingent upon approval of Charter Amendments are no longer applicable. The following is a description of the seven amendments to the MOU.

1. Holidays: Currently, uniformed personnel, who perform fire suppression duties on any of the City's official holidays, receive holiday pay at time and a half. In FY 1993-94 all members of the bargaining unit who perform fire suppression duties would receive compensatory time off at time and a half or 18 hours a day (fire suppression uniform personnel normally work 24 hours, but according to the MOU the basis for computing compensatory time off would be one-half day, 12 hours, at time and a half, or 18 hours) of such compensatory time off, instead of cash compensation for working the following six holidays: Martin Luther King's Birthday, President's Day, Labor Day, Columbus Day, Veterans' Day and Memorial Day or a total of 108 hours (6 Holidays at 18 hours per Holiday). There are currently 1,303 members of the San Francisco Firefighters Union, Local 798 who would receive compensatory time off instead of cash compensation holiday pay for the six holidays specified under the proposed MOU amendment.

In addition, uniformed Fire Department personnel who perform administrative functions and receive Staff Duty Assignment Pay as compensation for holidays would have their pay reduced by an amount equal to the six holidays for which the other members of the bargaining unit would receive compensatory time off. Currently, 26 members of the San Francisco Firefighters Union, Local 798 receive Staff Duty Assignment Pay.

Staff Duty Assignment Pay is a pro-rated increase in the salary of uniformed Fire Department personnel who perform administrative functions equal to the holiday overtime pay received by uniformed Fire Department personnel performing fire suppression duties. According to Chief Howard Slater of the Fire Department, the Staff Duty Assignment Pay was designed to maintain the same level of income for Fire Fighters assigned to administrative duties that they would receive for performing fire suppression duties.

Additional Costs or Savings Associated with the Proposed Compensatory Time Instead of Holiday Pay: The Fire Department estimates that the proposed compensatory time off instead of overtime pay for the bargaining unit members who work the six holidays would

BOARD OF SUPERVISORS
BUDGET ANALYST

save approximately \$2.56 million in FY 1993-94. The Budget Analyst concurs with this estimate. However, there would be an offsetting cost if the Fire Department could not fully staff all Fire Stations when bargaining unit members take their compensatory time off. In that event, Firefighters paid at overtime rates would be used to staff Fire Stations because of increased use of compensatory time off in the future, resulting in increased costs to the Fire Department. Because the uniformed personnel that receive the compensatory time off could take that time off at any time before the bargaining unit members' retirements, the costs would most likely occur over several fiscal years.

However, in anticipation of approval of this proposed MOU change, the Fire Department has credited the 1,303 represented members with compensatory time off instead of Holiday Pay for Labor Day (September 6, 1993), Columbus Day (October 11, 1993) and Veterans' Day (November 11, 1993). The 1,303 employees each received 54 hours (3 days at 18 hours per holiday) of accrued compensatory time off for a total of 70,362 hours (1,303 employees x 54 hours).

Chief Slater reports that Fire Department policy requires that any compensatory time off must be scheduled in advance to insure that Fire Stations are adequately staffed at all times. The Fire Department projects staff levels on a daily basis and limits time off accordingly. According to Chief Slater, these projections are usually quite accurate except for unpredictable events such as employees not reporting for work due to illness.

According to Fire Department records, employees in the Fire Suppression Division (that could require other staff to work overtime to maintain full staffing of Fire Stations) were allowed to take 7,560 hours of the accrued compensatory time off, either compensatory time off that they had previously earned or holiday compensatory time off earned pursuant to the proposed MOU, during the three month period from September 6 to December 6, 1993 or an average of 2,520 hours per month. Chief Slater indicates that based on the Fire Department's daily staffing projections, only 3,144 of the 7,560 hours (or 41.6 percent) of compensatory time off granted during the three-month period required other employees to work overtime in order to maintain full coverage at all Fire Stations.

Chief Slater indicates that based on the current staffing level of the Fire Department, only an average of 2,520 hours of compensatory time off will be granted each month through the end of Fiscal Year 1993-94 regardless of how much regular or holiday compensatory time off is earned during the year. At the rate of 2,520 hours per month of compensatory time off granted, on an annual basis, the Fire Department would grant 30,240 hours of compensatory time off. Based on prior experience, it is estimated that 41.6 percent or 12,580 of those 30,240 hours would have to be backfilled by staff on overtime. At an average hourly rate of \$40.50 (\$27 at time and one half), the 12,580 hours would cost the Fire Department \$509,490 annually. However, Chief Slater advises that this cost would occur normally every year whether or not the proposed MOU is approved because Fire Department staff earn more compensatory time off annually (regular or proposed holiday compensatory time off) than the Fire Department will allow to be taken (granted) in any year. The Fire Department reports that they maintain separate accounts for holiday compensatory time off and regular compensatory time off.

Chief Slater reports that pursuant to requirements of the Consent Decree, 126 new Firefighters will be hired by April, 1995. At that time Chief Slater predicts that unless the number of retirees increases from the current average of 48 annually, the Fire Department will have sufficient staffing, thereby resulting in no need to require staff to work overtime to backfill staff which will be granted compensatory time off (in lieu of cash compensation for the six holidays in accordance with the provisions of this subject MOU).

In the worst case scenario, if all of the holiday compensatory time off that could be earned pursuant to the proposed MOU change required backfilling by staff working overtime, the total estimated cost for the 1,303 currently eligible staff would be \$3,799,548 (1,303 staff x 12 hours x 6 holidays x \$40.50 overtime pay rate per hour). However, based on current Fire Department policy limiting the use of compensatory time off to approximately 2,520 hours per month, it is estimated that the cost would be \$509,490, which, as noted above, according to Chief Slater, would occur whether or not the proposed MOU is approved.

2. Accumulation of Compensatory Time: The maximum amount of accumulated compensatory time would be increased by 108 hours from the current maximum compensatory time accumulated of 480 hours to 588 hours to reflect the proposed 108 hours of compensatory time described above. All of the proposed 108 hours of accumulated compensatory time would have to be used before retirement.

Additional Costs or Savings Associated with the Proposed Increased Accumulation of Compensatory Time: The costs associated with holiday compensatory time off has been explained above.

3. Vested Sick Leave Accumulation: Beginning July 1, 1993 through June 30, 1995 or for two years, members of this bargaining unit would receive vested sick leave accumulation for unused Sick Days (employees are allowed 13 Sick Days per year) according to the following formula:

<u>Sick Days Used Per Year</u>	<u>Remaining Unused Sick Days</u>	<u>Vesting Percentage</u>	<u>Sick Days Vested</u>
0	13	75%	9.75 (13 x 75%)
1-4	9-12	50%	4.5-6 (9-12 x 50%)
5-6	7-8	25%	1.75-2 (7-8 x 25%)

Vested sick leave means that the percent of sick leave time not used (as outlined above) will accrue to the employee in the form of monetary compensation when the employee separates from the Fire Department. If an employee uses seven or more sick days in one year, the employee will not vest the remaining unused sick days.

The maximum ceiling for accumulation of sick leave days would be raised by 24 days from the current ceiling of 106 Sick Days to 130 Sick Days.

These bargaining unit members cannot currently vest their accumulated sick leave time.

Additional Costs or Savings Associated with the Proposed Vested Sick Leave Accumulation: Chief Slater reports that in FY 1992-93, 270 uniformed staff did not take any sick leave and 543 took between one and six Sick Days. If this same pattern were to continue for FY 1993-94 and FY 1994-95, 813 uniformed staff (270 plus 543) would vest 14,856

BOARD OF SUPERVISORS
BUDGET ANALYST

Sick Days. At an average cost of \$213.72 per Sick Day for Firefighters, the cost of 14,856 vested Sick Days is \$3,175,024. This \$3,175,024 cost would be a future cost to the City because uniformed staff would be paid for vested sick leave when they retire.

However, if the proposed MOU amendment is approved, the potential for bargaining unit members to receive cash compensation for a percentage of unused sick leave time would give uniformed Fire Department personnel an incentive to use less sick leave.

4. Early Retirement: A Charter amendment on the November, 1993 election ballot allowing for early retirement of members of this bargaining unit between January 1, 1994 and December 31, 1994 was not approved by the voters.

5. Negotiability of Pension Benefits: A Charter amendment on the November, 1993 election ballot transferring Tier II members of the Fire Department to the Public Employees Retirement System (PERS) was not approved by the voters. (Tier II members were hired after November 2, 1976.)

6. Furloughs: Under the proposed amendment to the MOU, there could be no layoffs or furloughs of Union employees during FY 1993-94. The fiscal impact would be that the City could not reduce the Fire Department's workforce during FY 1993-94.

7. Charter Amendments: There would be no Charter amendments submitted to the voters of the City and County of San Francisco in November, 1993 or in June of 1994 which affect the wages, hours or working conditions of Union employees unless agreed to by the parties to the MOU. No such Charter amendment was placed on the November, 1993 ballot.

Memo to Budget/Government Efficiency and Labor Committee
December 15, 1993 Joint Budget/Government Efficiency and Labor Committee
Meeting

Comments: 1. In sum, the proposed MOU amendments would result in the following savings and costs, based on information provided by the Fire Department:

FY 1993-94 Holiday Pay Savings	(\$2,560,000)
Holiday Compensatory Time Off Maximum Possible Cost (Probably in Future Years)	\$3,799,548
Estimated Annual Cost Based on Current Department Policy (As noted above, this cost would occur whether or not the proposed MOU changes are approved)	\$509,490
Vested Sick Leave (Future fiscal years)	\$3,175,024

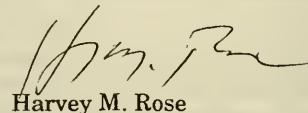
Of all of the above projected costs and savings the only item that will definitely be realized by the Fire Department in Fiscal Year 1993-94 is the savings of \$2.56 million from Holiday Pay.

2. The Mayor's Office and the Fire Department reduced the Fire Department's budget by a total of approximately \$6.4 million (salaries and fringe benefits) in anticipation of the San Francisco Firefighter's Union, Local 798 accepting a salary freeze and holiday pay decreases. The \$2.56 million estimated savings from eliminating cash compensation for working the six holiday days was included in the \$6.4 million budget reduction. According to Chief Slater, the Firefighter's Union, Local 798 did not accept the salary increase freeze for FY 1993-94 and the proposed MOU rejects a work furlough program that would have resulted in a savings equal to the additional cost of the salary increases. Therefore, by not accepting the salary freeze and other concessions, only \$2.56 million of the anticipated \$6.4 million savings will be realized. A supplemental appropriation ordinance is currently before the Budget Committee (Item 23, File 101-93-47 on the December 15, 1993 calendar) to appropriate \$4.9 million in order for the Fire Department to maintain full staffing through the end of Fiscal Year 1993-94.

Memo to Budget/Government Efficiency and Labor Committee
December 15, 1993 Joint Budget/Government Efficiency and Labor Committee
Meeting

Conclusion: Based on the clarified explanation of the Fire Department concerning its policy for limiting the use of compensatory time off by Firefighters, the Budget Analyst concludes that the estimated savings for the current, 1993-94 Fiscal Year of approximately \$2.56 million is valid.

Recommendation: Approval of the proposed resolution and ordinance are policy matters for the Board of Supervisors.



Handwritten signature of Harvey M. Rose

cc: Supervisor Migden
Supervisor Hallinan
Supervisor Hsieh
Supervisor Kaufman
President Alioto
Supervisor Leal
Supervisor Bierman
Supervisor Conroy
Supervisor Kennedy
Supervisor Maher
Supervisor Shelley
Clerk of the Board
Chief Administrative Officer
Controller
Teresa Serata
Robert Oakes
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WEDNESDAY, DECEMBER 15, 1993 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS MIGDEN, HSIEH, ALIOTO

CLERK: KAY GULBENGAY

1. File 101-92-85.1. [Release Funds/Sexual Harassment Guidelines Study] Requesting release of reserved funds, Commission on the Status of Women, in the amount of \$25,000, for a consultant (Merrick Rossein and Associates) to prepare Sexual Harassment Guidelines for the City and County of San Francisco. (Commission on the Status of Women)

ACTION: Hearing held. Release of \$25,000 approved. Filed.

2. File 101-93-20. [Government Funding] Ordinance appropriating \$155,000, Human Rights Commission, for permanent and temporary salaries, and mandatory fringe benefits, for the creation of one position; subject of previous budgetary denial. RO #93104 (Controller)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as sponsor.)

3. File 102-93-10. [Public Employment] Ordinance amending Annual Salary Ordinance, 1993-94, Human Rights Commission, reflecting the addition of one position (Classification 2996 Representative, Human Rights Commission); this position is a restoration by the Mayor's Office to Human Rights Commission Fiscal Year 1993-94 Budget; companion measure to File 101-93-20. (Civil Service Commission)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as sponsor.)

4. File 101-93-36. [Appropriation for Audit of the Viacom Cablevision] Ordinance appropriating \$39,858, Board of Supervisors, for non- personal services (audit of Viacom Cablevision), funded from Cable Television Access and Development fund balance; providing for ratification of action previously taken. (Controller)

ACTION: Hearing held. Recommended.

5. File 101-93-23. [Government Funding] Ordinance appropriating \$200,000, Department of Recreation and Park, for permanent salaries-miscellaneous. RO #93076 (Controller)

ACTION: Hearing held. Continued to December 22, 1993 meeting.

6. File 101-93-43. [Ap. opriation, Recreation & Park] Ordinance appropriating \$200,000, Recreation and Park Department, for permanent salaries-miscellaneous, for the Zoo Partnership Agreement; funded from the General Fund Reserve. RO #93169 (Controller)

ACTION: Hearing held. Continued to December 22, 1993 meeting.

7. File 101-93-37. [Appropriation, Art Commission] Ordinance appropriating \$26,570, Art Commission, for heat, light and power; providing for ratification of action previously taken; funded from Board Reserve. RO #93110 (Controller)

ACTION: Hearing held. Amended on page 1 lines 1, (in title) 14, and 16 by replacing "\$26,570" with "\$26,000"; on line 12 by deleting "\$570".

New Title: "Appropriating \$26,000, Art Commission, for heat, light and power; providing for ratification of action previously taken; funded from Board Reserve."

Recommended as amended.

8. File 101-93-38. [Appropriation] Ordinance appropriating \$101,859, for services of other departments (Police Security Services) for the Treasurer/Tax Collector and appropriating \$101,859 for overtime for the Police Department for Fiscal Year 1993-94; funded from interest earnings; providing for ratification of action previously taken. RO #93145 (Controller)

ACTION: Hearing held. Continued to December 22, 1993 meeting.

9. File 101-93-64. [Appropriation, New Jobs Tax Credit Program] Ordinance appropriating \$120,847, Treasurer/Tax Collector for permanent salaries, mandatory fringe benefits, materials and supplies, equipment and services of other departments for the creation of four positions for New Jobs Tax Credit Program; companion measure to File 102-93-15. RO #93171 (Controller)

ACTION: Hearing held. Continued to December 22, 1993 meeting.

10. File 101-93-66. [Appropriation, Tax Collector Enhancements] Ordinance appropriating \$139,630, Treasurer/Tax Collector for permanent salaries, mandatory fringe benefits and equipment for the creation of two positions for tax collector enhancements; funded from Board Reserve; companion measure to File 102-93-15. RO #93173 (Controller)

ACTION: Hearing held. Amended on page 1 lines 1, (in title) 12, and 18 by replacing "\$139,630" with "\$112,908"; on line 14 by replacing "\$73,247" with "\$52,320"; on line 15 by replacing "\$15,383" with "\$10,988" and on line 17 by replacing "\$51,000" with "\$49,600".

New Title: "Appropriating \$112,908, Treasurer/Tax Collector for permanent salaries, mandatory fringe benefits and equipment for the creation of two positions for tax collector enhancements; funded from Board Reserve."

Continued to December 22, 1993 meeting as amended.

11. File 102-93-15. [Public Employment, Add Six Positions] Finance amending Ordinance No. 242-93 (Annual Salary Ordinance, 1993-94) reflecting the addition of six positions in the Treasurer/Tax Collector Department; companion measure to Files 101-93-64 and 101-93-66. (Civil Service Commission)

ACTION: Hearing held. Continued to December 22, 1993 meeting.

12. File 101-93-39. [Appropriation, Registrar of Voters] Ordinance appropriating 175,000, Registrar of Voters, for other non-personal services (printing and postage) and capital outlay (DP Word Processing Equipment); funded from the General Fund Reserve. RO #93159. (Controller)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as sponsor.)

13. File 101-93-40. [Appropriation, Department of Public Health] Ordinance appropriating \$25,744,226, Department of Public Health, in Medi-Cal revenues, transferring \$23,258,015 to the General Funds and appropriating \$283,507 in salaries, mandatory fringe benefits and professional services (Pharmacy Program) and \$2,202,704 to reserve for health care - MIS for San Francisco General Hospital, appropriating \$23,258,015 in other non-personal services (SB 855 match) for Fiscal Year 1993-94; and providing for ratification of action previously taken; funded from SB 855 disproportionate share payment program revenues. RO #93160. (Controller)

ACTION: Hearing held. Question divided. Consideration of \$2,202,704 to for health care - MIS for San Francisco General Hospital severed and considered separately.

Remaining consideration amended. (See File For Details)

New Title: "Ordinance appropriating \$23,258,015, Department of Public Health, in Medi-Cal revenues, transferring \$23,258,015 to the General Funds and appropriating \$283,507 in salaries, mandatory fringe benefits and professional services (Pharmacy Program), appropriating \$23,258,015 in other non-personal services (SB 855 match) for Fiscal Year 1993-94; and providing for ratification of action previously taken; funded from SB 855 disproportionate share payment program revenues."

Recommended as amended. (Supervisor Alioto added as sponsor.)

File 101-93-40.1. Ordinance prepared in and reported out of committee entitled:

"Appropriating \$2,202,704, Department of Public Health, in Medi-Cal revenues and \$2,204,704 to a reserve for health care - MIS for San Francisco General Hospital, funded from SB 855 disproportionate share payment program revenues."

Continued to December 22, 1993 meeting as amended.)
(Supervisor Alioto added as sponsor.)

14. File 101-93-53. [Appropriation] Ordinance appropriating \$2,851,037, Department of Community Health Services for miscellaneous revenues, salaries, materials and supplies and services of other departments and rescinding \$423,163 for salaries and mandatory fringe benefits; subject of previous budgetary denial; maintain service levels-second six months; funded from miscellaneous revenues and rescissions (\$588,701) and General Fund Reserve (\$2,262,336). RO #93176 (Controller)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as sponsor.)

15. File 101-93-54. [Appropriation] Ordinance appropriating \$ 861,737, Laguna Honda Hospital for miscellaneous revenues, salaries, mandatory fringe benefits, other non-personal services, materials and supplies, equipment and services of other departments; subject of previous budgetary denial; maintain service levels, second six months; funded from miscellaneous revenues (\$8,336,016) and the General Fund Reserve (\$1,525,721). RO #93181 (Controller)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as sponsor.)

16. File 101-93-55. [Appropriation] Ordinance appropriating \$7,658,823, San Francisco General Hospital for miscellaneous revenues, salaries, mandatory fringe benefits, professional services, materials and supplies and capital improvements; subject of previous budgetary denial; restore services for second six months; funded from miscellaneous revenues (\$2,693,750) and the General Fund Reserve \$4,965,073). RO #93177 (Controller)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as sponsor.)

17. File 101-93-67. [Appropriation, Department of Public Health] Ordinance appropriating \$8,169,119, Department of Public Health – Community Mental Health, for miscellaneous revenues, salaries, mandatory fringe benefits, professional and other non-personal services, materials and supplies and services of other departments, for Fiscal Year 1993-94; subject of previous budgetary denial; restore services for second six months of the Fiscal Year; funded from miscellaneous revenues (\$993,750) and General Fund Reserve (\$7,175,369). RO #93183 (Controller)

ACTION Hearing held. Recommended. (Supervisor Alioto added as sponsor.)

18. File 101-93-41. [Appropriation, Municipal Railway] Ordinance appropriating \$1,493,022, Municipal Railway, for salaries-miscellaneous, fringe benefits, other non-personal services, materials and supplies, and facilities maintenance; subject of previous budgetary denial, for Muni maintenance and fuel costs; funded from the General Fund Reserve. RO #93165 (Controller)

ACTION: Hearing held. Amendment of the whole (as presented in committee) adopted. Further amended on page 1 line 4 after "fund reserve" by adding "placing \$50,000 on reserve"; and on page 2 line 10 by adding "Section 3. Funds in the amount of \$50,000 are hereby placed on reserve for janitorial services to Bart until a report is made from the audit of year expenditures, to be released by the Budget Committee."

New Title: "Appropriating \$693,022, Municipal Railway, for salaries-miscellaneous, fringe benefits, other non-personal services, materials and supplies, and facilities maintenance; subject of previous budgetary denial, for Muni maintenance and fuel costs; funded from the General Fund Reserve; placing \$50,000 on reserve."

Recommended as amended.

19. File 101-93-42. [Appropriation, 911 Communication Center] Ordinance appropriating \$142,715, Police Department, for building repairs and equipment purchase (Mechanical Sewer Clearing Devices), for 911 Communication Center; funded from General Fund Reserve. RO #93166 (Controller)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as sponsor.)

20. File 101-93-44. [Appropriation, Department of Public Works] Ordinance appropriating \$135,000, Department of Public Works, for permanent salaries-miscellaneous, and mandatory fringe benefits for the Street Cleaning Program; funded from the General Fund Reserve. RO #93170 (Controller)

ACTION: Hearing held. Amended on page 1 lines 1, (in title) 13, 14, 16, 20, and 24 by replacing "\$135,000" with "\$132,485"; on line 22 by replacing "\$115,194" with "\$113,048"; on line 23 by replacing "\$19,806" with "\$19,437".
New Title: "Appropriating \$132,485, Department of Public Works, for permanent salaries-miscellaneous, and mandatory fringe benefits for the Street Cleaning Program; funded from the General Fund Reserve."
Recommended as amended.

21. File 101-93-45. [Appropriation, Chief Administrative Officer] Ordinance appropriating \$169,268, Chief Administrative Officer, for programmatic project for the creation of one position for the Fiscal Year 1993-94, for 911 Project Management to develop and implement a combined computer assisted dispatch system; funded from General Fund Reserve; companion measure to File 102-93-13. RO #93175 (Controller)

ACTION: Hearing held. Amended on page 1 lines 1, (in title) 13, 15, and 17 by replacing "\$169,268" with "\$161,893"; on line 4 by adding "placing \$100,000 on reserve"; and on line 19 by adding "Section 2. Funds in the amount of \$100,000 are hereby placed on reserve for contractual services pending additional details including MBE/WBE status of contractor, to be released by the Budget Committee."

New Title: "Appropriating \$161,893, Chief Administrative Officer, for programmatic project for the creation of one position for the Fiscal Year 1993-94, for 911 Project Management to develop and implement a combined computer assisted dispatch system; funded from General Fund Reserve; placing \$100,000 on reserve."
Recommended as amended.

22. File 102-93-13. [Public Employment, Add One Position] Ordinance amending Ordinance No. 242-93 (Annual Salary Ordinance, 1993-94) reflecting the addition of one position, Chief Administrative Officer's Department; companion measure to File 101-93-45. (Civil Service Commission)

ACTION: Hearing held. Recommended.

23. File 101-93-47. [Appropriation, Fire Department] Appropriating \$4,900,000, Fire Department, for permanent salaries-uniform, overtime and related fringe benefits to maintain full staffing for Fiscal Year 1993-94; funded from General Fund Reserve; subject of previous budgetary denial. RO #93180 (Controller)

ACTION: Hearing held. Recommended.

24. File 101-93-48. [Appropriation, Mayor's Office] Ordinance appropriating \$20,000, Mayor's Office - Community Development for professional services-special service contracts for Fiscal Year 1993-94, for Day Laborer Program; funded from Board Reserve. RO #93172 (Controller)

ACTION: Continued to call of the chair.

25. File 101-93-61. [Appropriation] Ordinance appropriating \$1,416,638, Sheriff Department, for permanent salary for the creation of five positions; providing for ratification of action previously taken and subject of previous budgetary denial; for City Hall security and departmental salary costs; funded from the General Fund Reserve; companion measure to File 102-93-14. RO #93168 (Controller)

ACTION: Hearing held. Amended on lines 1, (in title) 13, 15, and 17 by replacing "\$1,416,638" with \$1,385,838".

New Title: "Appropriating \$1,385,838, Sheriff Department, for permanent salary for the creation of five positions; providing for ratification of action previously taken and subject of previous budgetary denial; for City Hall security and departmental salary costs; funded from the General Fund Reserve."

Recommended as amended. (Supervisor Alioto added as sponsor.)

26. File 102-93-14. [Public Employment, Add Five Positions] Ordinance amending Ordinance No. 242-93 (Annual Salary Ordinance, 1993-94) reflecting the addition of five positions, Sheriff's Office; companion measure to File 101-93-61. Civil Service Commission

ACTION: Hearing held. Recommended.

27. File 101-93-62. [Appropriation, Jail Facility] Ordinance appropriating \$3,500,000, Sheriff Department, for capital improvement project (new Sheriff's jail facility); funded from the General Fund Reserve. RO #93164 (Controller)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as sponsor.)

28. File 101-93-63. [Appropriation, General Assistance] Ordinance appropriating \$5,778,015, Department of Social Services, for General Assistance and non-personal services (implement Fingerprinting Program); subject of previous budgetary denial; funded from Controller's Reserve (\$3,178,015) and General Fund Reserve (\$2,600,000). RO #93174 (Controller)

ACTION: Hearing held. Hearing held. Question divided. Consideration of \$100,000 for implementation of Fingerprinting Program severed and considered separately.

Remaining consideration amended on page 1 lines 1, (in title) and line 19 by replacing "\$5,778,015 with "\$5,678,015"; and on line 2 (in title) by deleting "Implement Fingerprinting Program"; and on line 14 by replacing "\$2,600,000" with "\$2,500,000"; on line 18 by deleting "\$100,000".

New Title: "Ordinance appropriating \$5,678,015, Department of Social Services, for General Assistance and non-personal services; subject of previous budgetary denial; funded from Controller's Reserve (\$3,178,015) and General Fund Reserve (\$2,500,000). Recommended as amended.

File 101-93-63.1. Ordinance prepared in and reported out of committee entitled:

"Appropriating \$100,000, Department of Social Services, to implement Fingerprinting Program; subject of previous budgetary denial; funded from General Fund Reserve."

Continued to December 22, 1993 meeting as amended.

29. File 101-93-68. [Appropriation, Public Library] Ordinance appropriating \$4,000,000, Public Library, for permanent salaries, fringe benefits, equipment and books, for the creation of ninety-eight positions for Fiscal Year 1993-94; subject of previous budgetary denial; maintain service levels-second six months; funded from Board Reserve (in lieu of parcel tax); companion measure to File 102-93-12. RO #93102 (Controller)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as sponsor.)

30. File 102-93-12. [Public Employment, Add 98 Positions, Library] Ordinance amending Ordinance No. 242-93 (Annual Salary Ordinance, 1993-94) reflecting the addition of ninety-eight positions in the San Francisco Public Library; companion measure to File 101-93-68. (Civil Service Commission)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as sponsor.)

31. File 100-93-17. Hearing to consider supplemental appropriation requests submitted by the District Attorney, Public Defender, Superior Court and the Police Department. (Supervisor Migden)

ACTION: Hearing held. Filed. (Supervisor Alioto added as co-sponsor.)

32. File 69-93-2. [Supplemental Appropriation] Motion directing the Clerk of the Board to submit to the Mayor a request for a supplemental appropriation to cover the cost of Budget Analyst review of Memorandums of Understanding. (Supervisor Kaufman)

ACTION: Hearing held. Recommended.

33. File 7-93-16.4. [Mu... Discount Fares For Seniors And Disabled] Hearing to consider joint report by the Budget Analyst Controller and Mayor, analyzing the need for, financial and operational impacts of discount fares for senior and disabled individuals, as well as other possible Muni fare changes that may be necessary, including the views of the Public Utilities Commission on all proposals analyzed in the report. (Supervisor Migden)

ACTION: Hearing held. Continued to December 22, 1993 meeting.
(Supervisor Alioto added as co-sponsor.)

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CITY AND COUNTY



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OF SAN FRANCISCO *ATTN: Jane Judson*

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BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

December 13, 1993

TO: *///* Budget Committee
FROM: *///* Budget Analyst
SUBJECT: December 15, 1993 Budget Committee Meeting

Item 1 - File 101-92-85.1

Department: Commission on the Status of Women (COSW)

Item: Release of reserved funds in the amount of \$25,000, for consultant services.

Amount: \$25,000

Source of Funds: General Fund

Description: The Board of Supervisors previously approved a supplemental appropriation in the amount of \$25,000 for the Commission on the Status of Women to acquire consultant services for the development of a Code of Conduct regarding sexual harassment (101-92-85). The proposed Code of Conduct would be used as a guideline for the handling of Sexual Harassment within City government. The \$25,000 was placed on reserve by the Board of Supervisors pending the Commission's selection of a consultant and submission of hours, hourly rates and the MBE/WBE status of the consultant.

The Commission on the Status of Women now reports that Merrick Rossein and Associates have been selected, through its Request for Proposal (RFP) process, to provide the necessary consultant services. Merrick Rossein and Associates is neither an MBE or a WBE firm. The Commission on the Status of

Women reports that in response to its RFP, it received proposals from a total of six firms, including Merrick Rossein and Associates, as follows:

<u>Name of Firm</u>	<u>MBE/WBE</u>	<u>Number Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
Merrick Rossein and Associates	No	200	\$100	\$20,000*
Jeanne Chrbeneau and Associates	No	115	\$200	\$23,000
Boss Effectiveness Associates	Yes	-	-	\$23,150**
Business Aura	Yes	438	\$52.50	\$23,000
Koller and Kulish	No	-	-	\$23,000**
Jude C. Sharp	No	-	-	\$23,000**

*The actual contract amount awarded to Merrick Rossein and Associates by the Commission on the Status of Women is \$23,000, which includes the \$20,000 based on 200 hours at \$100 per hour plus \$3,000 for travel and related expenses.

** COSW advises that the proposals submitted by these firms were based on a flat fee to perform the necessary work and did not include hours and hourly rates.

The Commission on the Status of Women reports that the RFP stated that there was a maximum of \$23,000 available to perform the necessary work. As noted above, each firm which responded to the RFP submitted a proposal in the amount of \$23,000, except Boss Effectiveness Associates, which submitted a proposal in the amount of \$23,150. According to the COSW, Merrick Rossein and Associates were selected because, based on their proposal, they demonstrated that they had the highest level of expertise regarding the development of the proposed Code of Conduct. The COSW advises that Merrick Rossein and Associates recently developed a Code of Conduct for the State of New York and New York City.

Comments:

1. As noted above, the total cost of the consultant services to be provided Merrick Rossein and Associates is \$23,000 or \$2,000 less than the \$25,000 placed on reserve. The Commission on the Status of Women advises that the \$2,000 will be used to pay for Administrative Overhead costs incurred by COSW in connection with (1) issuing the RFP (mailing and advertising), (2) the administrative oversight of the contract with Merrick

BOARD OF SUPERVISORS
BUDGET ANALYST

Rossein and Associates (telephone, FAX and mailing) and (3) printing the final Code of Conduct report. The COSW is proposing to print 1,000 copies of this report for distribution to City departments and agencies and to the public. The COSW advises that the Purchasing Department estimates, that the minimum amount required for typesetting and printing 1,000 copies of this report, which is projected to be approximately 50 pages in length, is \$1,600.

2. The COSW anticipates that Merrick Rossein and Associates will complete their work by June of 1994 and the Code of Conduct report will be available for distribution by July of 1994.

Recommendation: Approve the release of reserved funds in the amount of \$25,000.

Items 2 and 3 - Files 101-93-20 and 102-93-10

Department: Human Rights Commission (HRC)

Items File 101-93-20 - Supplemental Appropriation Ordinance for permanent salaries and related fringe benefits to restore one position and to provide full fiscal year funding to 1.5 existing positions. This supplemental appropriation request is the subject of previous budgetary denial.

File 102-93-10 - Ordinance to amend the Annual Salary Ordinance to create one new position.

Amount: \$155,000

Source of Funds: General Fund Human Rights Commission Reserve in the amount of \$155,000 established in the 1993-94 budget by the Board of Supervisors.

Description: In order to meet the budget reduction target required by the Mayor's Office, the HRC's 1993-94 budget was reduced by \$588,827. Subsequently, during the budget review, the Board of Supervisors established a \$155,000 General Fund Reserve for the purpose of restoring one 2996 Human Rights Commission Representative position which was deleted in the 1993-94 budget by the Mayor and to provide full fiscal year funding including salaries and related fringe benefits for 1.5 existing positions, in order to prevent lay offs. Of the \$155,000, \$62,886 is for restoring one 2996 Human Rights Commission Representative position and a total of \$92,114 would be used to pay for a projected shortfall for the salaries (\$75,500) and related fringe benefits (\$16,614) for the 1.5 existing positions.

The proposed ordinance (File 102-93-10) to amend the 1993-94 Annual Salary Ordinance would restore one position which was previously deleted by the Mayor in the 1993-94 budget as follows:

<u>Classification</u>	<u>Bi-Weekly Salary</u>	<u>Annual Salary</u>
2996 Human Rights Commission Representative	\$1,650-\$2,004	\$43,065-\$52,304

The proposed Supplemental Appropriation Ordinance (File 101-93-20) would fund this position retroactively for the period July 1, 1993 to June 30, 1994, as follows:

<u>Classification</u>	<u>Annual Salary</u>
<u>Personnel</u>	
Human Rights Commission Representative	\$52,304
Fringe Benefits	<u>10.582</u>
Total	\$62,886

Comment: The HRC has used existing budgeted monies in the HRC's 1993-94 budget to restore the previously deleted Human Rights Commission Representative and to provide full funding for 1.5 existing positions. However, by so doing there will be a shortfall in the FY 1993-94 budget, which would result in the layoff of these positions. The proposed \$155,000 supplemental appropriation would be used, in part, to reimburse the Department for these expenditures and in part to continue these positions for the balance of the fiscal year.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

Item 4 - File 101-93-36

Department: Board of Supervisors

Item: Supplemental Appropriation for professional services to conduct an audit of Viacom Cablevision; providing for ratification of action previously taken.

Amount: \$39,858

Source of Funds: Unappropriated Revenue Reserved - Cable Television Access & Development Fund (the franchise fee payments made by Viacom)

Description: In September, 1993, the Board of Supervisors adopted a motion directing the Budget Analyst to conduct a comprehensive audit of the franchise fees paid by the operations of Viacom Cablevision under its Cable Television Franchise with the City.

The proposed management audit was estimated to cost \$39,858 based on 600 hours to complete the audit at the Budget Analyst's average hourly rate of \$66.43. The motion stated that the audit will be paid from franchise fee payments made to the City by Viacom. Based on such funding, the Budget Analyst allocated additional staffing resources in order to begin the audit at the time the motion was passed, as requested by the Author of the motion.

This proposed supplemental appropriation would allocate existing unappropriated special fund (Cable Television Access & Development Fund) revenue for this management audit.

Comments:

1. The Budget Analyst began work on the management audit in October, 1993 as directed by the Board of Supervisors motion. Consequently, this proposed supplemental appropriation ordinance provides for ratification of action previously taken.
2. Attachment 1 is the previous resolution approved by the Board of Supervisors (File 165-93-6) directing the Budget Analyst to conduct this audit. The resolution states that the Board would pay for this audit from the franchise fee payments made to the City by Viacom.
3. Attachment 2 is the Clerk of the Board's letter to the Mayor requesting the \$39,858. Consistent with the Board's request that this audit be paid from the franchise fee

**BOARD OF SUPERVISORS
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Memo to Budget Committee
December 15, 1993

payments, the Clerk notes that the requested monies are not General Fund monies.

Recommendation: Based on the previously adopted motion of the Board of Supervisors, approve the proposed supplemental appropriation ordinance.

BOARD OF SUPERVISORS
BUDGET ANALYST

1 FILE NO. 165-93-6

2 MOTION

3
4 DIRECTING THE BUDGET ANALYST TO CONDUCT A COMPREHENSIVE AUDIT OF THE
5 FRANCHISE FEES PAID BY AND OPERATIONS OF VIACOM CABLEVISION UNDER
6 ITS CABLE TELEVISION FRANCHISE WITH THE CITY, AND PROVIDING FUNDS
7 FOR THE AUDIT.

8
9 BE IT MOVED, That the Board of Supervisors hereby directs the
10 Budget Analyst to conduct a comprehensive and independent audit of
11 the franchise fees paid by and the operations of Viacom Cablevision
12 under its Cable Television Franchise with the City;

13 FURTHER MOVED, That the Board of Supervisors shall pay for the
14 audit from franchise fee payments made to the City by Viscom.

15 // Adopted - Board of Supervisors, San Francisco September 7, 1993

16 // Ayes:

17 // Supervisors Alito Bierman Conroy Hallinan Kaufman Kennedy
18 // Lal Maher Migden Shelley

19 // Absent: Supervisor Hsieh

20 // I hereby certify that the foregoing motion
21 // was adopted by the Board of Supervisors
22 // of the City and County of San Francisco

23 //
24 SUPERVISOR BIERMAN
25 0073P/24

File No.

165-93-6

BOARD OF SUPERVISORS

BOARD of SUPERVISORS



City Hall
San Francisco 94102
554-5184

September 13, 1993

The Honorable Frank Jordan
Mayor
200 City Hall
San Francisco, CA 94102

Dear Mayor Jordan:

This is not a request for a General Fund appropriation.

Enclosed is a request for a supplemental appropriation from the Cable Television Access and Development Fund and a related motion adopted by the Board of Supervisors.

Because of changes in federal law, the city is likely to undertake increased regulation of cable television in San Francisco. In preparation for that activity, the Board of Supervisors desires to have an audit of the Viacom's payments of its franchise fees to the City.

The cost of the proposed audit is \$39,858. The year end balance in the fund was \$36,056 which is available for this appropriation. In addition, the 1993-94 appropriation ordinance appropriated significantly less than the revenues likely to be received. Thus I am confident the controller will be able to certify sufficient revenues will be available in the fund for this audit.

Your prompt approval of this supplemental appropriation request will be appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "John L. Taylor".

John L. Taylor
Clerk of the Board

Enclosure

cc: Budget Analyst

Items 5 and 6 - Files 101-93-23 and 101-93-43

Department: Recreation and Park Department

Items: Supplemental appropriation ordinance for permanent salaries - miscellaneous for fiscal year 1993-94 for the Zoo Partnership Agreement (File 101-93-23).

Supplemental appropriation ordinance for permanent salaries - miscellaneous for fiscal year 1993-94 for the Zoo Partnership Agreement (File 101-93-43).

Amount: \$200,000 (File 101-93-23)
200,000 (File 101-93-43)
\$400,000

Source of Funds: \$200,000 Board of Supervisors Reserve
200,000 General Fund Reserve

Description: The two proposed supplemental appropriation requests in the amount of \$200,000 each, for a total of \$400,000, would be used to fund the balance of the \$4.0 million City General Fund contribution to the partnership agreement with the San Francisco Zoological Society. On September 7, 1993, the Board of Supervisors approved the lease and management agreement for the San Francisco Zoological Society to manage the Zoo. This agreement became effective on October 9, 1993. One of the provisions of this agreement is that the City would provide an annual payment of \$4.0 million to the Zoological Society in order to support Zoo operations.

The FY 1993-94 budget included \$3,570,000 of General Fund monies for the Zoo. If the proposed \$400,000 supplemental appropriations are approved, it would result in a total of \$3,970,000 of General Fund monies for the Zoo.

During the budget deliberations, the Board of Supervisors established a \$200,000 Restoration Reserve for the Zoo Partnership Agreement (File 101-93-23). The second supplemental appropriation of \$200,000, was conditioned on the approval of the Sales Tax extension measure on the November, 1993 ballot (File 101-93-43). The November, 1993 Sales Tax measure was approved by the voters.

Comments:

1. According to Mr. Phil Arnold of the Recreation and Park Department, although the Partnership Agreement calls for an annual payment of \$4.0 million to the Zoo, because the agreement with the Zoological Society did not become effective until October 9, 1993, an overall total of \$3,970,000 of funding for the Zoo (which includes the two proposed supplemental requests) would be sufficient for fiscal year 1993-94.
2. According to Mr. David Anderson of the Zoo, each month the Recreation and Park Department pays the Zoological Society \$333,333, or one-twelfth of the \$4.0 million annual support. Since the agreement between the City and the Zoological Society did not become effective until October 9, 1993, the City will be paying the Zoological Society less than \$3.0 million for FY 1993-94. However, Mr. Anderson notes that since the \$3.0 million to be paid to the Zoological Society is used to pay for staff salaries and fringe benefits, the balance of the funds (\$970,000) would be used to fully fund these Civil Service positions at the Zoo from July 1, 1993 through October 8, 1993, during the first three months of the fiscal year.
3. However, the Budget Analyst notes that in FY 1992-93, (prior to the transfer to the Zoological Society) \$3,715,000 in General Fund monies was included in the Recreation and Park Department's budget for Zoo operations. In the FY 1993-94 budget, \$3,570,000 of General Fund monies was included in the Recreation and Park Department's budget for Zoo operations. If the proposed \$400,000 supplemental appropriations are approved, it would result in a total of \$3,970,000 funding for the Zoo in FY 1993-94, an increase of \$255,000, or 6.9 percent over the FY 1992-93 General Fund contribution.
4. The Budget Analyst notes that since (1) the Agreement with the Zoological Society did not become effective until October 9, 1993, (2) under this Agreement, the City will have fulfilled its obligation by fully funding the Zoological Society for slightly less than \$3.0 million in fiscal year 1993-94, and (3) the proposed funding would result in a 6.9 percent increase in staffing funding for the Zoo, the Budget Analyst believes that approval of the proposed supplemental appropriations are policy matters for the Board of Supervisors.

Recommendation: Approval of the proposed supplemental appropriations are policy matters for the Board of Supervisors.

Item 7 - File 101-93-37

Department: Art Commission

Item: Supplemental Appropriation ordinance providing for ratification of actions previously taken to restore \$26,570 for light, heat and power expenses at five City-owned arts facilities.

Amount: \$26,570

Source of Funds: General Fund Reserve for Neighborhood Cultural Centers in the amount of \$26,000 established in the 1993-94 budget and \$570 from the General Fund Reserve.

Description: In order to meet the budget reductions required by the Mayor's Office, the Art Commission's FY 1993-94 budget deleted funding for light, heat and power to service five City-owned arts facilities. Subsequently, during the budget review, the Board of Supervisors created a Restoration Reserve of \$26,000 specifically for the Neighborhood Cultural Centers for a full year to replace the deleted funds. The proposed supplemental appropriation ordinance would restore \$26,570 to the Art Commission to fund light, heat and power at the four Neighborhood Cultural Centers (Mission, South of Market, Bayview and Western Addition) and the Art Commission Gallery for FY 1993-94.

Comments:

1. Ms. Joanne Chow Winship of the Art Commission states that the proposed supplemental appropriation request for FY 1993-94 is for \$26,570 based on the same level of funding received for light, heat and power for the Neighborhood Cultural Centers in FY 1992-93. Since the Board of Supervisors Restoration Reserve included \$26,000, the additional \$570 would be funded from the General Fund Reserve.
2. According to Ms. Winship, because the funds for light, heat and power were anticipated to be restored to the budget, the five cultural facilities have remained open and have incurred light, heat and power expenses since July 1, 1993. Therefore, the proposed supplemental appropriation provides for ratification of actions previously taken. The Art Commission has not yet paid for these expenses. The Bureau of Light, Heat and Power is aware of the need for a supplemental appropriation by the Arts Commission and is waiting to receive a workorder.

Memo to Budget Committee
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3. Ms. Winship advises that, without this supplemental appropriation, the five cultural facilities would have to close for the remainder of the fiscal year.

Recommendation: Approve the proposed ordinance.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Budget Committee
December 12, 1993

Item 8 - File 101-93-38

Department: Treasurer/Tax Collector

Item: Supplemental Appropriation for services of other departments (Police Security Services) in the amount of \$101,859, providing for ratification of action previously taken.

Amount: \$101,859

Source of Funds: Interest Earnings on Treasurer's Pooled Investments

Description:

1. Security Services for the Treasurer's Office were provided by the Police Department prior to Fiscal Year 1993-94 using three full time Building and Grounds Patrol Officers funded through the Police Department's budget. These Building and Grounds Patrol Officers were eliminated from the 1993-94 Police Department's budget along with other personnel who provided City Hall security. The annual cost of the three full time Building and Grounds Patrol Officers for the Treasurer's Office would be \$133,815 if it were included in the Police Department's budget this Fiscal Year.
2. The Police Department informed the Treasurer's Office that such security services could be provided at a cost of \$122,819 annually if Uniformed Police Officers paid at overtime rates were used instead of the three full time Building and Grounds Patrol Officers, a cost savings of \$10,996 annually. This savings results from greater flexibility in using overtime Police Officers (full time staffing would not have to be provided to cover absenteeism and vacation time; the Treasurer would only pay for hours worked) and the fact fringe benefits are not paid for overtime hours worked by Uniformed Police Officers.
3. The Police Department began assigning Uniformed Police Officers on overtime to the Treasurer's Office on September 1, 1993. The estimated cost of this supplemental appropriation for the ten-month period of September 1, 1993 through June 30, 1994 is \$101,859, the amount of this supplemental appropriation. The Budget Analyst has reviewed the calculation of this cost and agrees with the amount of the supplemental appropriation.

Comment: According to the Controller, the payment for these services from interest earnings will not impact the 1993-94 budgeted General Fund revenue for interest earnings.

Recommendation: Approve the proposed supplemental appropriation.

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Items 9, 10 and 11 - Files 101-93-64, 101-93-66 and 102-93-15

Department: Treasurer/ Tax Collector

Items: Supplemental appropriation ordinance for \$120,847 for permanent salaries, mandatory fringe benefits, materials and supplies, equipment and services of other departments for the creation of four positions for the New Jobs Tax Credit Program (File 101-93-64).

Supplemental appropriation ordinance for \$139,630 for permanent salaries, mandatory fringe benefits and equipment for the creation of two positions for Tax Collector enhancements (File 101-93-66).

Annual Salary Ordinance amendment for FY 1993-94 reflecting the addition of six positions in the Treasurer/Tax Collector's Office (File 102-93-15).

Amount: \$120,847 (File 101-93-64)
139,630 (File 101-93-66)
\$260,477 Total

Source of Funds: \$120,847 General Fund Reserve
139,630 Board of Supervisors Reserve

Description: File 101-93-64: The proposed supplemental appropriation for \$120,847 would be used to fund the creation of four new positions, material and supplies, equipment and Controller services in the Tax Collector's Office to implement the New Jobs Tax Credit Program. The New Jobs Tax Credit Program, which became effective on July 1, 1993, amended the amount of business tax credit which applies to the following: 1) a 100 percent payroll tax credit for all new jobs created in San Francisco for the first year and 50 percent payroll tax credit of the jobs created in the second year, and 2) jobs created within San Francisco's Enterprise Zone (tax credits are summarized in the following table). San Francisco's Enterprise Zone comprises a total of 7,952 acres of land consisting of the Bayview Hunters Point, Mission, South of Market, Potrero Hill, Tenderloin, Chinatown, Western Addition and Haight Ashbury neighborhoods as well as the Mission Bay Project Area. The new jobs created must be maintained by the businesses for at least two years.

As shown in the following table, the New Jobs Tax Credit Program increased the amount of the employer's tax credit for the first five years and provides for a continued

employer's tax credit in years six through ten, after a job is created within the Enterprise Zone.

<u>Duration of Employment</u>	<u>Previous Tax Credit (pct. of tax liability)</u>	<u>New Jobs Tax Credit (pct. of tax liability)</u>
Year 1	50%	100%
Year 2	40%	100%
Year 3	30%	50%
Year 4	20%	50%
Year 5	10%	25%
Year 6	0	25%
Year 7	0	15%
Year 8	0	15%
Year 9	0	10%
Year 10	0	10%

The four new positions are as follows:

<u>Class and Title</u>	<u>Number of Positions</u>	<u>Annual Salary</u>
4222 Senior Auditor	1	\$49,329
4220 Auditor	1	44,970
1426 Senior Clerk Typist	1	33,069
1632 Senior Account Clerk	1	35,888

The proposed supplemental appropriation totalling \$120,847 (File 101-93-64) includes \$54,419 for salaries and \$11,428 for fringe benefits, based on hiring of the four new positions effective March 1, 1994. The proposed supplemental appropriation assumes only four months of staffing from March 1 through June 30, 1994 since firms will not be filing for the New Jobs Tax Credit Program until February, 1994 based on the effective date of July 1, 1993. On an annualized basis, the creation of the four new Tax Collector positions is estimated to cost a total of \$197,539 (\$163,256 for salaries plus \$34,283 for fringe benefits).

According to the Tax Collector's Office, the Senior Auditor and Auditor positions are needed to conduct audits of the businesses claiming the New Jobs Tax Credit in order to verify the accuracy of the claims. The Tax Collector's Office estimates approximately 600 audits annually will involve the New Jobs Tax Credit Program. The Senior Clerk Typist and Senior Account Clerk positions would be used for support functions.

The proposed supplemental appropriation (File 101-93-64) also includes funding of \$4,000 for materials and supplies, including \$2,700 for additional forms and envelopes to notify the public through mailings of the New Jobs Tax Credit Program. In addition, the proposed supplemental appropriation includes \$15,000 for the addition of four new personal computers at \$3,000 per computer (total \$12,000) and one laser printer for \$3,000. Furthermore, the proposed supplemental appropriation includes \$36,000 for the Controllers' Information Services Division (ISD) to program the necessary New Jobs Tax Credit Program modifications to the Business Taxes System maintained on the IBM mainframe computer. The Controller's ISD costs are based on an estimate of 720 hours at \$50 per hour.

File 101-93-66: The proposed supplemental appropriation for \$139,630 would be used to fund the creation of two new positions and equipment for the Tax Collector's Office. The two proposed new positions are as follows:

<u>Class and Title</u>	<u>Number of Positions</u>	<u>Annual Salary</u>
1372 Special Assistant XIII	1	\$71,436
1654 Principal Accountant	1	54,131

The Special Assistant XIII position would be responsible for an overall restructuring of the Tax Collector's Office in order to redeploy existing staff to concentrate on revenue generating and revenue collection activities. The proposed Special Assistant XIII position would also serve as direct assistant to the Deputy Tax Collector, and serve as liaison with the Mayor, the Board of Supervisors and the business community.

The proposed Principal Accountant position would be responsible for financial accounting functions which were previously assigned to a 4220 Auditor. If the proposed Principal Accountant position is approved, the existing Auditor would be returned to field audit responsibilities, which are estimated to generate \$400,000 annually in additional revenues for the City.

The two new positions are funded in the proposed supplemental appropriation from December 1, 1993 through June 30, 1994 at a total cost of \$88,630 (\$73,247 for salaries plus \$15,383 for fringe benefits).

In addition, the proposed supplemental appropriation includes \$51,000 for installation of a 486 personal computer server, plus related hardware and software to install a local area network required to replace the Wang system.

File 102-93-15: The proposed ordinance would amend the 1993-4 Annual Salary Ordinance to create the six new positions funded by the two proposed supplemental appropriations identified above.

Comments:

1. The Board of Supervisors during their budget deliberations established a \$140,000 full year restoration for Tax Collector Enhancements. The proposed \$139,630 supplemental appropriation is being funded from this Board Restoration Reserve.
2. At the time that the New Jobs Tax Credit Program was approved by the Board of Supervisors, the Tax Collector's Office estimated that it would cost approximately \$115,400 to implement this Program in the first year. However, Mr. Richard Sullivan of the Tax Collector's Office indicated that it will be difficult to precisely estimate the new resources which will be needed, since the Tax Collector's costs will depend on the number of firms applying for the tax credit.
3. As previously reported, the New Jobs Tax Credit Program will reduce the growth of business tax revenues which would result from the creation of new jobs. The Budget Analyst estimated the amount of foregone business taxes at \$1,255,568 on an average annual basis in fiscal years 1993-94 through 1997-98. However, any new jobs which are created in San Francisco in response to the New Jobs Tax Credit Program would generate increased business tax revenues for the City. If, for example, 500 to 3,000 new jobs were created annually in response to the New Jobs Tax Credit Program, the estimated new tax revenues would range from \$251,097 to \$1,506,580 annually during the first five years, and between \$784,677 and \$4,78,060 annually in subsequent years. However, the number of jobs which would actually be created cannot reasonably be predicted in advance.
4. The Tax Collector's Office estimates additional tax revenue of \$417,000 on an annual basis with the addition of the four positions for the New Jobs Tax Credit Program. For FY 1993-94, based on four months of

staffing, the additional revenue would be pro-rated to approximately \$139,000.

5. The Electronic Information Processing Steering Committee (EIPSC) has approved the proposed computer equipment.

6. The Budget Analyst notes that the two proposed new positions of Special Assistant XIII and Principal Accountant are to be funded as of December 1, 1993 from the proposed supplemental appropriation (File 101-93-66). However, it is not likely that these positions would actually be filled until at least February 1, 1994. The Budget Analyst further notes that equipment lease/purchase costs were funded for \$51,000, however, the Tax Collector identified \$49,600 of equipment costs. Therefore, the Budget Analyst recommends that the proposed supplemental appropriation (File 101-93-66) be reduced by \$26,722, including \$20,927 for salaries, \$4,395 for fringe benefits and \$1,400 for equipment lease/purchase. This reduction would result in an overall reduction of the proposed ordinance, as follows:

	<u>Proposed Funding</u>	<u>Recommended Funding</u>	<u>Savings</u>
Permanent Salaries	\$73,247	\$52,320	\$20,927
Fringe Benefits	15,383	10,988	4,395
Equipment Lease/Purch	51,000	49,600	1,400
Total	\$139,630	\$112,908	\$26,722

Recommendations: Reduce the proposed ordinance (File 101-93-66) by \$26,722 from \$139,630 to \$112,908, as detailed above.

Approval of the proposed ordinances, as amended, are policy matters for the Board of Supervisors.

Item 12 - File 101-93-39

Department: Registrar of Voters

Item: Supplemental appropriation ordinance for other non-personal services including printing and postage and for word processing equipment.

Amount: Other Non-Personal Services \$171,400
DP Word Processing Equipment 3,600
Total \$175,000

Source of Funds: General Fund Reserve

Description: Other Non-Personal Services (\$171,400) The Registrar of Voters has reported that actual costs for (1) the Voter Information Pamphlet and the Absentee Voter Booklet and (2) the use of 39 additional sites for polling places for the November 2, 1993 election exceeded the approved amounts for printing, postage and other non-personal services costs in the FY 1993-94 budget by \$171,400 as follows:

<u>Description</u>	<u>Actual Cost</u>	<u>Amount Budgeted</u>	<u>Excess of Actual Cost over Budgeted Cost</u>
Voter Information Pamphlet	\$495,000	\$375,500	\$119,500
Absentee Voter Booklet	34,500	24,000	10,500
Polling Places (39 additional sites, from 500 to 539 polling places)	341.400	300.000	41.400 ¹
Total	\$870,900	\$699,500	\$171,400

DP Word Processing Equipment (\$3,600) The proposed allocation of \$3,600 would increase the budget amount for the purchase of two new computers from \$6,000 to \$9,600.² During the last two elections, in June and November of 1993, one of the two personal computers used for vote counting malfunctioned, resulting in substantial delays in the vote count. Because the Department has been unable to find the problem in the computer that caused the malfunction, it has been decided to replace both vote counting computers. The proposed new computers have been certified by the Secretary of State for use as vote counting systems.

¹The Registrar of Voters had originally estimated a shortfall of \$23,400 which was later revised to \$72,000. The Mayor recommended \$41,400 (See Comment 2).

²A total of \$4,000 rather than \$3,600 was originally requested by the Department for this item.

The two replaced computers, which are four years old, will be used for voter roll maintenance and other election administration purposes as determined by the Registrar of Voters.

Comments:

1. The Registrar of Voters reports that the failure of the vote counting machines in the last two elections in no way threatened the integrity of the vote count, but did affect the timeliness of reporting the election results.
2. The Registrar of Voters advises that the actual cost of the 39 additional polling places used in the November 2, 1993 election should be \$72,000 which is \$30,600 greater than the \$41,400 amount that was recommended by the Mayor under this supplemental appropriation. This additional cost of \$30,600 may result in another supplemental appropriation request.
3. The Registrar of Voters had also requested \$45,000 to increase the number of polling places for the June 1994 election from the budgeted 550 to 625 in order to prevent long lines. This request was not recommended by the Mayor.

Recommendations: Approve the proposed supplemental appropriation ordinance.

Item 13 - File 101-93-40

Department: Department of Public Health (DPH)

Item: Supplemental appropriation ordinance appropriating San Francisco General Hospital (SFGH) SB855 Medi-Cal revenue to salaries, fringe benefits and professional services to augment SFGH Pharmacy services (\$283,507); establishing a Reserve (subject to future appropriations approved by the Board of Supervisors) of appropriations for Department of Public Health Management Information System Development (\$2,202,704); and transferring the balance to the General Fund to restore and increase Fiscal Year 1993-94 SB855 matching expenditures (\$23,258,015). The ordinance provides for ratification of action previously taken.

Amount: \$25,744,226

Source of Funds: SB 855 Disproportionate Share Payments. Disproportionate Share Payments are Federal funds, administered through the State Department of Health Services, awarded to hospitals that provide high levels of service to Medi-Cal eligible and medically indigent patients. Local jurisdictions transfer matching funds to a pool administered by the State that is then augmented by Federal funds. The pool is then allocated to contributing jurisdictions, resulting in a net revenue benefit for counties that have participated in the SB855 program.

Description:

1. The original 1993-94 budget for the DPH included approximately \$46.5 million in SB 855 matching expenditures that were to be transferred to the California Department of Health Services in order to obtain disproportionate share payments for unreimbursed SFGH services provided to unsponsored, medically indigent patients. Total SB 855 Disproportionate Share Payments to the SFGH from this transaction were expected to amount to approximately \$74.9 million resulting in a net revenue benefit to the City of \$28.4 million (\$74.9 million in disproportionate share payments less the required \$46.5 million in City matching expenditures.)

2. In September, 1993, the Department of Public Health (DPH) received notification from the State that the City would be eligible for retroactive disproportionate share payments for Fiscal Years 1991-92 and 1992-93. Upon receiving this notification, the Controller submitted a resolution for Board of Supervisors approval of the use of budgeted 1993-94 SB855 matching funds in order to obtain

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retroactive Disproportionate Share Payments for previous fiscal years. The City contributed \$15,757,566 (from the 1993-94 appropriation of \$46.5 million) in order to receive total Disproportionate Share Payments of \$25,260,283, thus resulting in a net revenue benefit of \$9,502,717 (\$25,260,283 in payments less \$15,757,566 in matching funds).

The City also received notification in September that the original 1993-94 SB855 required matching expenditures of approximately \$46.5 million was to be increased by approximately \$7.5 million to a new total of approximately \$54.0 million. The net revenue benefit for 1993-94 SB855 funds is now estimated to be approximately \$28.7 million.

3. The combined impact of the retroactive disproportionate share allocations for 1991-92 and 1992-93 and the increased payments and transfers for 1993-94 have resulted in the following:

- Total SB855 retroactive and current year City matching expenditures have increased by \$23,258,015.
- Total Disproportionate Share Payments to the SFGH has increased by \$33,030,076.
- The City has realized a net benefit from these transactions of \$9,772,061 (\$33,030,076 in Disproportionate Share Medi-Cal Payments to SFGH less \$23,258,015 in increased City matching expenditures).

The proposed uses of the total increased Disproportionate Share Payments of \$33,030,076 are:

- \$25,744,226 to fund this supplemental appropriation; and
- \$7,285,850 to partially offset a 1993-94 SFGH revenue shortfall of approximately \$15.6 million. SB855 revenues in this amount will be retained by the SFGH in order to offset this shortfall.

4. This proposed supplemental appropriation is to fund the following:

Restoration of 1993-94 SB855 matching expenditures used for prior years' claim and increase in 1993-94 matching expenditure amount (budgeted in DPH - Community Health Services):	\$ 23,258,015
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Appropriations to augment SFGH Pharmacy Services:	283,507
Amount to be reserved, subject to a future supplemental appropriation for DPH Management Information (MIS) enhancements:	<u>2,202,704</u>
Total Proposed Supplemental Appropriation:	\$ 25,744,226

Each of the separate elements of the proposed supplemental appropriation are described in greater detail below.

5. Restoration of 1993-94 SB855 matching expenditures used for prior years' claim and increase in 1993-94 matching expenditure amount (budgeted in DPH - Community Health Services): **\$ 23,258,015**

Amount of 1993-94 appropriation used for retroactive claim to be restored:	\$15,757,566
Increase in 1993-94 City matching expenditures required by State	<u>7,500,449</u>
Total Restoration and Increase	\$23,258,015

6. Appropriations to augment SFGH Pharmacy Services: **\$283,507**

Due to early retirements, summer vacations and SFGH budget reductions for outpatient pharmacy services, the waiting time for filling prescriptions increased from a range of 48 to 72 hours in 1992-93 to an average of 96 hours in August, 1993. The Board of Supervisors Health, Public Safety and Environment Committee conducted hearings on the matter on September 7, 1993. At that hearing, SFGH management reported to the Committee that waiting times had been reduced to 24 hours through the increased expenditure of pharmacy registry funds (budgeted for temporary, as needed pharmacist services). SFGH further reported that the increased expenditure was inefficient, since registry services are more expensive than permanent staffing, and that appropriations for registry services would be depleted prior to the end of the fiscal year. Therefore, SFGH reported that a supplemental appropriation would be required to sustain pharmacy wait times at the 24 hour level.

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The proposed supplemental appropriation would fund five existing vacant positions and restore registry funds, budgeted for temporary, as needed pharmacist services, expended to decrease outpatient pharmacy waiting times during the first six months of 1993-94 as detailed below.

Fund five existing vacant positions
for six months

Four Staff Pharmacists @ \$30,745	\$122,980
One Clerk Typist	15,405
Mandatory Fringe Benefits	25,122
Overtime	20,000
Pharmacy Registry (as needed temporary staffing)	<u>100,000</u>
Total Request	\$283,507

7. Amount to be reserved, subject to a future supplemental appropriation for DPH Management Information System (MIS) enhancements: **\$2,202,704**

The DPH has requested \$2,202,704 to fund MIS development in order to prepare for implementation of *Managed Care* as required by the California Department of Health Services. However, the Mayor has placed this amount in a reserve, pending a detailed review of the DPH's MIS program. A supplemental appropriation requiring Board of Supervisors approval will be necessary in order for the DPH to expend funds from this reserve.

Recommendation: Approve the proposed supplemental appropriation restoring and increasing SB855 matching funds in the amount of \$23,258,015.

Approval of funding for outpatient pharmacy services (\$283,507) and MIS development (\$2,202,704 - to be placed in a Mayor's reserve) are policy matters for the Board of Supervisors.

Items 14, 15, 16 and 17 - Files 101-93-53, 101-93-54, 101-93-55 and 101-93-67

Department: Department of Public Health

Items:

1. File 101-93-53. Ordinance appropriating \$2,851,037, Department of Community Health Services for miscellaneous revenues, salaries, materials and supplies and services of other departments and rescinding \$423,163 for salaries and mandatory fringe benefits; subject of previous budgetary denial; to maintain service levels for January to July, 1994; funded from miscellaneous revenues and rescissions (\$588,701) and General Fund Reserve (\$2,262,336).
2. File 101-93-54. Ordinance appropriating \$9,861,737, Laguna Honda Hospital for miscellaneous revenues, salaries, mandatory fringe benefits, other non-personal services materials and supplies, equipment and services of other departments; subject of previous budgetary denial; to maintain service levels for January to July, 1994; funded from miscellaneous revenues (\$8,336,016) and the General Fund Reserve (\$1,525,721).
3. File 101-93-55. Ordinance appropriating \$7,658,823, San Francisco General Hospital for miscellaneous revenues, salaries, mandatory fringe benefits, professional services, materials and supplies and capital improvements; subject of previous budgetary denial; to maintain service levels for January to July, 1994; funded from miscellaneous revenues (\$2,693,750) and the General Fund Reserve (\$4,965,073).
4. File 101-93-67. Appropriating \$8,169,119, Department of Public Health, for miscellaneous revenues, salaries, mandatory fringe benefits, professional and other non-personal services, materials and supplies and services of other departments, for community mental health for Fiscal Year 1993-94; subject of previous budgetary denial; to maintain services for January to July, 1994; funded from miscellaneous revenues (\$993,750) and General Fund Reserve (\$7,175,369).

Amount: \$28,540,716

Source of Funds:

	General Fund	Other Revenues	Total
Community Health Services	\$2,262,336	\$588,701	\$2,851,037
Community Mental Health	7,175,369	993,750	8,169,119
Laguna Honda Hospital	1,525,721	8,336,016	9,861,737
San Francisco General Hospital	4,965,073	2,693,750	7,658,823
Total	\$15,928,499	\$12,612,217	\$28,540,716

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Description:

During the FY 1993-94 budget process, the Board of Supervisors established reserves to fund service restorations in the Department of Public Health for six months (July 1, 1993 through December 31, 1993), and appropriated the funds from these reserves in November, 1993 (Files 101-93-28, 101-93-29 101-93-30, 101-93-31, 101-93-32 and 102-93-11). Funding for the second six months was contingent on the extension of the half-cent sales tax and changes in the City's retirement rate contribution. The proposed supplemental appropriation requests would provide funding for these service restorations for the remaining six months of FY 1993-94 (January 1, 1994 through June 30, 1994), and continue funding for two special programs, 1) the Mission Alcohol Abuse Program and 2) the Division of Mental Health Services Community Education and Information Program (CE&I) for the remaining six months of FY 1993-94.

As noted above, the proposed General Fund portion for the proposed supplemental appropriations requests is \$15,928,499, which represents approximately a \$2.4 million reduction in the DPH's originally requested General Fund allocation for the second six months. The DPH reports that this reduction would be absorbed by increasing the Community Health Services salary savings, a reduction in salary accounts in Laguna Honda Hospital (LHH), and increased revenues in the Community Mental Health's (CMH) Substance Abuse and Forensics program and at San Francisco General Hospital (SFGH). The impact of this \$2.4 million reduction is unclear. The DPH reports that although the Department has determined that the original request could be reduced, potential service impacts from leaving positions vacant include unspecified delays in providing clients timely services in Community Public Health Services, delays in producing grant applications, delays in improving existing patient registration and billing systems at SFGH, and a potential impact upon revenues at LHH as a result of not filling vacant positions in the Finance Division.

Budget:

The proposed budget reflects funding for six months only (January 1, 1994 through June 30, 1994).

Community Health Services (CHS)

<u>Permanent Salaries - Misc.</u>	<u>FTEs</u>	
Sr. Personnel Analyst	1.0	\$29,258
Special Assistant	1.0	33,643
Clerk Typist	4.0	50,255
Unit Clerk	1.0	14,537
Medical Records Clerk	1.0	17,095
Dental Aide	2.0	34,687
Dentist	2.0	85,883
Physician Specialist	1.0	43,600
Sr. Physician Specialist	1.0	30,435
Health Worker I	1.0	13,743
Health Worker III	1.0	18,022
Porter	1.0	15,177
Registered Nurse	3.0	78,469
Head Nurse	1.0	35,992
Public Health Nurse	1.0	45,222
Dental Director	0.5	24,162
Staff Radiology Technician	1.0	22,818
Sr. Health Educator	1.0	26,057
Environmental Health Inspector	3.0	88,403
Salary Savings	—	(153,674)
 Subtotal	27.5	\$553,784
Mandatory Fringe Benefits		<u>188,863</u>
 Total Personnel		\$742,647
 <u>Temporary Salaries</u>		244,257
 <u>Premium Pay</u>		9,244
 <u>Other Non-Personal Services</u>		9,668
 <u>Materials & Supplies</u>		15,922
 <u>Building Maintenance</u> (HVAC/Roof Repairs)		150,000
 <u>Professional Services</u>		800,000
 <u>Management Information Systems (MIS)</u>		
<u>Work Order</u>		36,302
To support MIS services for food inspection program.		

<u>Other Restorations</u>		\$1,266,160
Includes Restoration of Lyon-Martin Medical Services for Women, Haight Ashbury and Mission Neighborhood Health Services to Indigents, Health Centers #2, #4 and Potrero Hill and AIDS home care and other services in the AIDS Division.		
Subtotal CHS		\$3,274,200
Less: Rescinding of Permanent Salaries and Mandatory Fringe Benefits		(423,163)
Total CHS		\$2,851,037
<u>Community Mental Health (CMH)</u>		
<u>Permanent Salaries - Miscellaneous</u>	<u>FTEs</u>	
Special Asst. XIII	1.0	\$29,051
Sr. Clerk Typist	3.0	50,233
Secretary I	1.0	15,957
Sr. Physician Specialist	0.5	7,794
Health Prog. Coord. III	1.0	29,051
Sr. Psychiatric Social Worker	3.0	83,012
Clerk Typist	0.5	7,643
CE&I Health Program Coordinator II	1.0	25,981
CE&I Assistant Health Educator	1.0	23,452
CE&I Health Educator	1.0	27,142
Salary Savings Credit		(34,632)
Subtotal	13.0	\$264,684
Salary Savings		(100,000)
<u>Permanent Salaries - Nurses</u>	<u>FTEs</u>	
Registered Nurse	1.0	29,296
Clinical Nurse Specialist	2.0	74,562
Subtotal	3.0	\$103,858
Mandatory Fringe Benefits		79,264
Total Personnel		\$347,806

Medical Services Contracts

Geriatrics

Canon Kip Homeless Geriatric Services	\$21,000
North of Market Senior Services	<u>16,000</u>
Total	\$37,000

Adult Acute

Cal-Pacific Westside Lodge	\$6,740
IMD Services	300,000
Napa State Hospital	1,000,000
Westside Crisis Services	<u>103,500</u>
Total	\$1,410,240

Adult Community

Bayview Hunters Point Foundation	\$214,709
Bayview Hunters Point Foundation	46,500
Center on Deafness	50,000
Episcopal Sanctuary	213,500
FSA - Japanese Program	9,073
FSA - MIA Program	42,899
Instituto Familiar de la Raza	22,037
Psychiatric Medical Coverage	62,500
RAMS Outpatient	68,803
Representative Payee	93,843
Swords to Plowshares	68,500
Westside Outpatient	<u>37,491</u>
Total	\$929,855

Community Substance Abuse Services

CATS-MAP Transport Services	\$23,500
ST. Vincent de Paul MSC	72,500
Substance Abuse Residential Services	200,000
Westside Methadone Detox	37,826
Mission Alcohol Abuse Program	<u>62,793</u>
Total	<u>\$396,619</u>
Total Contracts	\$2,773,714

Center for Special Problems

Permanent Salaries - Misc.

	FTEs	
Clerk Typist	2.0	\$ 30,573
Sr. Clerk Typist	2.0	33,488
Transcriber Typist	1.0	16,744
Sr. Administrative Analyst	1.0	28,767

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Sr. Management Assistant	1.0	25,478
Sr. Physician Specialist	3.8	200,051
Clinical Pharmacist	1.0	34,469
Clinical Psychologist	2.5	96,634
Clinical Pharmacist	1.0	15,332
Health Prog. Coord. I	1.0	22,769
Health Prog. Coord. III	1.0	29,051
Porter	1.0	15,364
Psychiatric Social Worker	4.0	105,935
Psychiatric Social Worker	0.5	13,242
Sr. Psychiatric Social Worker	1.0	27,671
Sr. Psychiatric Social Worker	1.0	27,671
Subtotal	24.8	\$723,239
 <u>Permanent Salaries - Nurses</u>	 <u>FTEs</u>	
Clinical Nurse Specialist	1.0	\$29,354
 Mandatory Fringe Benefits		156,589
Professional & Special Services		53,100
Other Contractual Services		3,793
Training		500
Other Current Services		2,531
Telephone		38,500
Property Rental		102,170
Materials and Supplies		7,052
Building Maintenance		268
Light, Heat & Power		4,168
Printing & Reproduction-City		1,465
PUC-Admin Services		250
 Total Center for Special Problems		\$1,122,979
 <u>Other Restorations</u>		3,530,870
Includes restoration of all mental health day treatment services, certain mental health and substance abuse residential services, all supportive housing, certain Napa and IMD beds, Rape Treatment Center, certain homeless support services and the Mobile Assistance Patrol		
 Revenue Transfer to SFGH for Psychiatric Emergency Services		393,750
 Total CMH		\$8,169,119

Laguna Honda Hospital (LHH)

<u>Permanent Salaries - Misc.</u>	<u>FTEs</u>	
Payroll Clerk	--	\$70,000
Sr. Personnel Analyst	1.0	24,064
Senior Clerk Typist	2.0	31,604
Transcriber Typist	1.0	14,360
Medical Transcriber Typist	1.0	17,605
Secretary II	--	16,000
Head Accountant	--	30,000
Patient Accts. Asst. Supervisor	1.0	18,278
Hospital Administrative Asst.	1.0	54,292
Dentist	1.0	33,232
Physician	3.0	66,736
Sr. Physician Specialist	--	5,798
Sr. Physician Specialist	1.0	72,872
Nursing Assistant	135.0	1,790,543
Licensed Vocational Nurse	19.0	406,206
X-Ray Laboratory Aide	1.0	10,036
Pharmacist	1.0	25,552
Staff Radiology Technician	1.0	30,000
Respiratory Care Practitioner	1.0	32,055
Occupational Therapist	--	42,133
Therapy Aide	1.0	25,769
Physical Therapist	--	25,287
Health Worker II	--	3,398
Health Worker III	--	1,919
Health Worker IV	7.0	116,467
Health Program Coor. IV	1.0	29,389
Food Service Worker	6.0	82,650
Sr. Food Service Worker	2.0	15,627
Dietitian	1.0	12,183
Asst. Cook	2.0	41,188
Baker	1.0	13,267
Porter	20.0	314,511
Porter Supervisor	1.0	10,711
Laundry Worker	8.0	140,000
Sr. Laundry Worker	1.0	8,229
Asst. General Svcs. Mgr.	1.0	14,388
Hospital Eligibility Worker	--	77,256
Sr. Social Worker	2.0	22,159
Medical Social Worker	3.0	78,196
Sr. Medical Social Worker	2.0	13,996
Beautician	1.0	13,487
Institution Utility Worker	1.0	9,095
Subtotal	231.0	\$3,860,538

Memo to Budget Committee
December 15, 1993

<u>Permanent Salaries - Nurses</u>	<u>FTEs</u>	
Registered Nurse	66.0	\$1,996,825
Head Nurse	15.0	519,160
Nursing Supervisor	2.0	46,923
Nurse Practitioner	1.0	35,846
Subtotal	84.0	\$2,598,754
 <u>Mandatory Fringe Benefits</u>		1,661,418
 <u>Holiday Pay</u>		225,078
 <u>Premium Pay</u>		142,336
 <u>Material & Supplies</u>		547,714
 <u>Non Personnel Services</u>		228,837
 <u>Equipment</u>		6,836
 <u>Building Repair</u>		3,000
 <u>Light & Heat</u>		110,000
 <u>Workers Comp</u>		183,278
 <u>Misc. Department</u>		293.948
Completion of a MIS project converting LHH's financial reporting system.		
 <u>Total LHH</u>		\$9,861,737
 <u>San Francisco General Hospital (SFGH)</u>		
<u>Permanent Salaries - Misc.</u>	<u>FTEs</u>	
Clerk	--	\$(12,587)
Clerk Typist	2.0	31,632
Sr. Clerk Typist	3.0	61,287
Unit Clerk	--	(30,454)
Data Entry Operator	1.0	14,538
MIS Specialist I	1.0	17,683
Assistant Storekeeper	1.0	15,621
Medical Records Clerk	1.0	25,102
Health Care Analyst	1.0	22,264
Physician Specialist	11.0	635,957
Psychiatric Technician	1.0	48,186
Licensed Vocational Nurse	--	(100,762)
Central Processing Distribution Clerk	1.0	28,998
Pharmacy Technician	1.0	33,016

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Staff Radiology Technician	1.0	29,166
Speech Pathologist	--	7,693
Occupational Therapist	1.0	38,456
Therapy Aide	1.0	13,962
Physical Therapist Asst.	1.0	41,464
Physical Therapist	1.0	23,250
Health Worker II	2.0	43,821
Nutritionist	3.0	77,410
Medical Social Worker	2.0	56,875
Salary Savings		<u>308,227</u>
Subtotal Personnel	<u>36.0</u>	\$1,430,805
 <u>Permanent Salaries - Nurses</u>	 <u>FTEs</u>	
Head Nurse	2.0	\$90,267
Clinical Nurse Specialist	1.0	35,914
Nursing Supervisor	--	13,122
Nurse Practitioner	2.0	84,675
Salary Savings		<u>508,775</u>
Subtotal Personnel	<u>5.0</u>	\$732,753
 <u>Temporary Salaries - Nurses</u>		42,911
 <u>Mandatory Fringe Benefits</u>		441,294
 <u>Professional Services</u>		933,090
UC Contractual Ancillary Services, mostly related to outpatient services, such as clinical laboratory services, nuclear medicine.		
 <u>Materials & Supplies</u>		1,675,000
Pharmaceuticals related to outpatients for health centers; psychiatric emergency and methadone services.		
 <u>Capital Project Budget</u>		200,000
Women's Health Center capital project.		
 <u>Other Restorations</u>		2,202,970
Includes restoration of approximately 54,000 outpatient visits in medicine, surgery and family health, maintenance of the Trauma Registry, Interpreter Services, patient referral and advocacy services, psychiatric emergency services, and approximately 5,000 visits in the AIDS Clinic.		
 <u>Total SFGH</u>		\$7,658,823

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Comments:

1. All of the funding for the above-listed 425.3 positions would be used for existing positions within the DPH, except for one Health Program Coordinator position in the CE&I program within the CMH (to be funded with temporary salaries) that was inadvertently deleted during the FY 1993-94 budget process. The proposed supplemental appropriation request would continue to fund these positions for the remaining six months of FY 1993-94 (January 1, 1994 through June 30, 1994).
2. Service restorations in the Community Health Services (CHS) division include the restoration of Health Centers #2, #3, #4 and Potrero Hill (an estimated 19,500 primary medical care and dental visits for the second six months), the continuation of services to women and homeless medically-indigent clients, the restoration of public health nursing, tuberculosis control, food inspection and hazardous materials services. In addition, \$800,000 would be restored for AIDS services. These AIDS services restorations include funding for the following non-profit contractors: California Pacific Medical Center (CPMC) Operation Concern, 18th Street Services, GAPA Community HIV Project, National Task Force on AIDS Prevention, San Francisco Network Ministries/Tenderloin AIDS Resource Center, Mission Crisis, Professional Laboratory Services, Black Coalition on AIDS, CPMC Visiting Nurses and Hospice, Mission Neighborhood Health Center, Project Open Hand, San Francisco AIDS Foundation, Shanti Project, and the UCSF AIDS Health Project. These \$800,000 in funds would maintain AIDS services at the current level for the remainder of FY 1993-94.
3. Service restorations in the Community Mental Health (CMH) Division include the continuation on the Mission Council on Alcoholism contract for approximately 1,400 outpatient counseling visits; services to bilingual and monolingual Spanish-speaking substance abusers and their families. The CE&I Unit would also be maintained at current levels providing approximately 100 parents counseling and other services for Filipino, Cambodian, African American and Latino providers services for chronically mentally ill adults and seriously emotionally disturbed children. In addition, the Center for Special Problems (restored to FY 1992-93 service level), homeless services (including substance abuse services), case management, Representative Payee services for homeless, mentally-ill and substance abusers, locked skilled nursing services, Napa beds and selected community outpatient services and residential treatment programs, and psychiatric

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services at SFGH would be restored for the second six months of FY 1993-94.

4. Service restorations at Laguna Honda Hospital (LHH) include continuation of funding for 300 beds at LHH, the continuation of the Adult Day Health Center that provides medical, rehabilitation and social programs to over 200 frail elders and disabled adults and the Senior Nutrition program (approximately 5,000 noon-time meals for the second six months of FY 1993-94).

5. Service restorations at San Francisco General Hospital (SFGH) include the restoration of 65,000 outpatient visits, ancillary support for the Health Centers, psychiatric emergency services, perinatal and infant-parent services, substance-abuse detoxification, psychiatric emergency services (1,500 patient visits), patient education, pharmaceutical services for medically-indigent adults, a capital project for the women's health clinics and full RN staffing at SFGH's AIDS inpatient Ward 5A (5,000 patient visits).

6. The Budget Analyst has reviewed the proposed restorations and finds that the proposed supplemental appropriation ordinances are consistent with the prior actions of the Budget Committee.

Recommendation: Approval of the proposed ordinances is a policy matter for the Board of Supervisors.

Item 18 - File 101-93-41

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Supplemental Appropriation for the Municipal Railway (MUNI) for permanent salaries, mandatory fringe benefits, contractual services, materials and supplies (fuel) and facilities maintenance. This request is the subject of previous budgetary denial and will therefore require a two thirds vote of the Board of Supervisors for approval.

Amount: \$1,493,022

Source of Funds: General Fund Reserve

Description: The PUC is requesting that \$1,493,022 be appropriated for the Municipal Railway (MUNI) for additional permanent salaries and other related costs as follows:

Permanent Salaries - Miscellaneous	\$220,000
Mandatory Fringe Benefits	33,022
Contractual Services	340,000
Materials and Supplies (Fuel)	800,000
Miscellaneous Facilities Maintenance	<u>100,000</u>
Total	\$1,493,022

Permanent Salaries Miscellaneous (\$220,000) The Board of Supervisors has previously approved \$223,357 to reduce salary savings from 8.5 percent to 5 percent during the six-month period July 1993 through December 1993 (File 101-93-17). This proposed supplemental appropriation would extend the reduced level of salary savings by an additional six months from January 1994 through June 1994.

Mandatory Fringe Benefits (\$33,022) Based on a 7.36 percent rate for City Retirement (\$16,192), plus 7.65 percent for Social Security and Social Security Medicare (\$16,830).

Contractual Services (\$340,000) These funds include \$160,000 in purchase orders for miscellaneous diesel coach repair work, \$30,000 for trolley coach traction motor armatures, \$50,000 for a maintenance contract with the Bay Area Rapid Transit (BART) District, \$50,000 for graffiti removal and \$50,000 for tire rental.

- The \$160,000 in purchase orders for miscellaneous diesel coach repair work during the six month period from

January of 1994 through June of 1994 includes: \$78,000 to repair wheelchair lifts, which were damaged by a street construction project at Polk and Bush Streets and is above and beyond the capabilities and/or staffing level of the Diesel Division to correct; \$42,000 to repair a rear axle housing problem that is an on-going problem with the existing Flyer electric trolley coaches which requires an outside vendor to perform special welding work to the existing swing axle housing component; and \$40,000 for the repair of two diesel coaches with special mechanical problems beyond the capabilities of the existing MUNI maintenance staff.

- The \$30,000 would overhaul 10 trolley coach traction motor armatures at \$3,000 per vehicle during the six-month period from January of 1994 through June of 1994. These overhauls will be required based on the failure rate of coaches remaining in service after the arrivals of the new articulated trolley coaches.
- The \$50,000 with the Bay Area Rapid Transit (BART) District would increase the budgeted amount for janitorial services for those portions of the BART Stations shared with the Municipal Railway from \$734,000 to \$784,000. The annual budgeted cost for these janitorial services has increased by \$100,000 or 14.6 percent, from \$684,000 in FY 1992-93 to \$784,000 in FY 1993-94.
- An additional \$50,000 would increase funding to the San Francisco Conservation Corps (SFCC), a non-profit organization which hires area youths, to expand their current work cleaning graffiti from the outside of existing MUNI vehicles. The \$50,000 would pay for approximately 2,800 additional hours at approximately \$17.85 per hour for the SFCC services. The proposed \$50,000 increase supplements a previously approved \$50,000 supplemental for a total \$100,000 addition to SFCC, increasing the funds to SFCC for cleaning MUNI vehicles from \$160,000 in FY 1992-93 to \$260,000 in FY 1993-94.
- A total of \$50,000 would lease additional tires for the MUNI motor fleet. MUNI contracts with a tire company to provide tires and tire servicing under a lease agreement.¹ Under

¹ According to Mr. Wayne Gerstenberger, MUNI rents tires for its vehicles because the large tire companies (including Goodyear and Firestone) lease but do not sell tires of this size. There are some smaller tire companies that do sell tires of this size. However, MUNI could not obtain the quantity of such tires needed from these smaller companies, and therefore, has chosen to work with the larger companies under a lease agreement.

this agreement, the company charges the City for material and labor increases. The proposed \$50,000 increase supplements a previously approved \$50,000 (File 101-93-17) for a total \$100,000 addition for tire leases for FY 1993-94. The \$100,000 provides a 5.74 percent inflationary cost adjustment to an existing tire lease agreement of \$1,743,151 increasing the anticipated lease costs for fleet vehicle tires to \$1,843,151 during FY 1993-94.

Materials and Supplies Fuel (\$800,000) The approved FY 1993-94 MUNI budget for fuel was \$3.9 million for 5.6 million gallons of fuel based on an estimated cost of approximately \$0.70 per gallon. Because of fluctuating fuel costs, PUC has in November of 1993 provided actual fuel consumption and costs for the four-month period, July through October 1993 and projected fuel consumption and costs for the eight-month period, November 1993 through June 1994. Based on these actual and projected data, PUC estimates a budget shortfall of \$779,518 for FY 1993-94 based on their projected estimate of approximately \$0.90 per gallon for fuel consumption from November 1993 through June 1994, as follows:

MUNI Actual and Projected Diesel Fuel Consumption and Costs for FY 1993-94

<u>Description</u>	<u>No. of Gallons</u>	<u>Cost per Gallon (Averaged)</u>	<u>Cost</u>
Actual Fuel July through October 1993	1,757,911	\$0.7116645	\$1,251,043
Projected Fuel Consumption, November 1993 through June 1994	3,798,240	0.90	<u>3,418,416</u>
Subtotal	5,556,151		\$4,669,459
FY 1993-94 Budget Amount for Fuel			<u>3,889,941</u>
Total Anticipated Budget Shortfall for Fuel			\$ 779,518

For budgeting purposes, PUC has rounded the anticipated budget shortfall for fuel to \$800,000.

Miscellaneous Facilities Maintenance (\$100,000) Anticipated work to be performed for MUNI over a six-month period, originally budgeted at \$200,000 for the entire FY 1993-94, by the Bureau of Building Repair of the Department of Public Works (DPW), as follows:

- Bureau of Building Repair (\$100,000) including \$25,000 to complete roof repairs at the Kirkland, Presidio and Geneva Facilities, \$15,000 to inspect and repair the cooling system

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at the Woods Facility, \$15,000 to repair the heat, ventilation and air conditioning (HVAC) at the Presidio Facility, and \$45,000 to correct health and safety violations at various MUNI locations that have previously been deferred.

The Board of Supervisors has previously approved \$1,986,885 from the Board of Supervisors' Municipal Railway Maintenance Reserve established in the FY 1993-94 budget for various maintenance activities (File 101-93-17) for the six-month period July through December 1993.

Comments:

1. The PUC has provided the Budget Analyst with revised and more recent cost data² on the estimated diesel fuel expenditures, which reduces the projected average cost per gallon for diesel fuel from \$0.90 to \$0.70. This revision reduces the current estimated shortfall by \$729,384 as follows:

MUNI Actual and Projected Diesel Fuel Consumption and Costs for FY 1993-94

<u>Description</u>	<u>No. of Gallons</u>	<u>Cost per Gallon (Rounded)</u>	<u>Cost</u>
Actual Fuel July through November 1993	2,189,479	\$0.7325427	\$1,603,887
Projected Fuel Consumption, December 1993 through June 1994	<u>3,366,672</u>	0.70	<u>2,356,670</u>
Subtotal	5,556,151		\$3,960,557
FY 1993-94 Budget Amount for Fuel			<u>3,889,941</u>
Total Anticipated Budget Shortfall for Fuel			<u>\$ 70,616</u>
Amount Requested under this Supplemental Appropriation			<u>800,000</u>
Amount of Request not Needed			<u>\$ 729,384</u>

2. Based on more recent cost data provided by the PUC, the proposed amount for diesel fuel can be reduced by \$729,384 from \$800,000 to \$70,616. Further, Ms. Kathleen Kelly of the PUC Finance Bureau advises that the \$70,616 shortfall can be provided from other available surplus MUNI funds. Therefore, the entire \$800,000 requested for additional fuel costs should be deleted.

3. An audit of actual expenditures paid by MUNI to BART for janitorial services for those portions of the BART Stations shared by MUNI is currently underway. This audit was

²Includes actual cost data for November 1993.

requested by the PUC because the actual expenditures for FY 1992-93 were substantially higher than expected when compared with the two previous years (FY 1991-92 and 1990-91) and lower than the projected cost for FY 1993-94. A comparison of actual costs for janitorial services charged to MUNI during the past three fiscal years and projected for the current fiscal year are as follows:

MUNI Costs for Janitorial Services Paid to BART

	<u>Amount</u>	Percent Increase (Decrease)
Fiscal Year 1990-91	\$621,000	
Fiscal Year 1991-92	615,000	(0.9662)
Fiscal Year 1992-93	880,000	43.089
Fiscal Year 1993-94	740,000 ³	(15.91)

4. Because the total costs for janitorial services to BART for FY 1992-93 are substantially higher than the two prior fiscal years and the current year as projected, the proposed additional \$50,000 fund request for janitorial services paid to BART, increasing the budgeted amount from \$734,000 to \$784,000, should be reserved until the results of the audit of prior year expenditures is completed.

Recommendation: 1. Amend the proposed supplemental appropriation ordinance as follows:

a. Reduce the proposed supplemental appropriation ordinance for diesel fuel by \$800,000 from \$1,493,022 to \$693,022 as described in Comments 1 and 2 above and amend the proposed ordinance as follows:

- Page 1, Lines 1, 13, 16, 17, 21 and Page 2, Line 6, reduce \$1,493,022 to \$693,022; and
- Page 2, Line 4, delete entire line entitled "Materials and Supplies (Fuel), \$800,000".

b. Reserve \$50,000 of this request for MUNI's portion of janitorial services to BART until a report is made from the audit of prior year expenditures as described in Comments 3 and 4 above.

2. Approval of the proposed ordinance as amended is a policy matter for the Board of Supervisors.

³Projected amount based on three months of actual costs.

Item 19 - File 101-93-42

Department: Police

Item: Supplemental appropriation ordinance for building repairs, mechanical sewer clearing equipment and replacement of damaged property.

Amount: \$142,715

Source of Funds: General Fund - General Reserve

Description: 1. In October, 1993, inmates in Jail No. 1 (6th floor, Hall of Justice) clogged plumbing lines causing a sewer pipe backup that flooded the 5th and 4th floors of the facility. Damage included the Police Gymnasium on the 5th floor and the "Quiet Room" (a break room for 911 Emergency Dispatch) employees in the 4th floor Communications facility. This proposed supplemental appropriation request would fund repairs needed because of the damage, install mechanical sewer clearing devices to prevent recurrence of this problem, and replace certain property damaged by the flooding.

2. Building repairs, Sewer Clearing Equipment: The Department of Public Works has provided estimates for repair work and equipment as follows:

Replace 3,220 square feet of gym flooring; replace carpet in Communications Room; supply interlocking rubber matting in gym (400 square feet); stain, seal and finish gym floor; seal water stains and paint ceiling in Communications Room, offices, locker room and restroom.

\$34,366

Purchase and install three in-line sewer clearing devices in Hall of Justice

99,000

Sub-Total - Repairs and Equipment

\$133,366

3. Replacement of Damaged Property: (estimated costs provided by Police Department)

Replace 1,400 square feet of mats for Police Athletic League (PAL) Judo program for at-risk, underprivileged youth	\$8,690
Replace damaged toaster oven, stereo and furniture for 911 Communications "Quiet Room"	<u>659</u>
Sub-Total - Property Replacement	<u>\$9,349</u>
Total Proposed Supplemental Appropriation	\$142,715

Recommendation: Approval of the proposed supplemental appropriation is a policy matter for the Board of Supervisors

Item 20 - File 101-93-44

Department: Department of Public Works (DPW)

Item: Supplemental appropriation ordinance for permanent salaries and mandatory fringe benefits; subject of previous budgetary denial.

Amount:

Permanent Salaries - Miscellaneous	\$115,194
Mandatory Fringe Benefits	<u>19,806</u>
Total	\$135,000

Source of Funds: General Fund Reserve

Description: The DPW reports that the proposed supplemental appropriation in the amount of \$135,000 would be used to continue (1) the Sunday Manual Street Cleaning Program and (2) the City's Daily Manual Street Cleaning Program.

The Sunday Manual Street Cleaning Program is one of several programs under the Sheriff's Work Alternative Program (SWAP), a daytime program whereby sentenced misdemeanants may provide community service instead of jail time. The Sunday Manual Street Cleaning Program consists of ten crews of up to five SWAP detainees, who sweep streets manually in downtown business and tourist areas. DPW's Bureau of Street Environmental Services (BSES) provides supervision, supplies and transportation for these SWAP detainees. The proposed supplemental appropriation would fund the continuation of the Sunday Manual Street Cleaning Program for the six-month period January through June 1994.

The Daily Manual Street Cleaning Program operates weekdays throughout the year, Monday through Friday. Laborers, under the supervision of the Bureau of Street Environmental Services, provide daily manual block sweeps¹ in downtown business and tourist areas. The proposed supplemental appropriation would continue the funding for three laborers for daily manual block sweeps for the six-month period January through June 1994. These three positions were not filled by DPW in response to an increase in budgetary salary savings required by the Mayor's Office in the FY 1993-94 budget. However, these three positions were filled in August of 1993 as approved under a previous

¹City laborers dedicated to sweeping specific, heavily trafficked areas under the supervision of the Bureau of Street Environmental Services (BSES).

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supplemental appropriation (File 101-93-12) which provided sufficient funds through December 31, 1993.

In FY 1993-94, the DPW's salary savings was increased by \$201,111. To support this increase in salary savings, the Sunday Manual Street Cleaning Program and six manual block sweeps were eliminated. The proposed supplemental appropriation request would provide funds for the six-month period from January through June of 1994 (1) to continue the Sunday Manual Street Cleaning Program and (2) to retain three of the six previously deleted Laborer positions under the Daily Manual Street Cleaning Program, as follows:

<u>Description</u>	<u>Amount</u>
Sunday Manual Street Cleaning Program	
10 Supervisors I x 26-8-hour shifts x \$188.40 per shift	\$48,984
1 Supervisor II x 26-8 hour shift x \$262.05 per shift	6,813
Mandatory Fringe Benefits (MFB) @ 17.2 percent (rounded)	<u>9,594</u>
Subtotal	\$65,391
Daily Manual Street Cleaning Program	
3 Laborers x 129 8-hour shifts x \$153.48 per shift	\$59,397
Mandatory Fringe Benefits (MFB) @ 17.2 percent (rounded)	<u>10,212</u>
Subtotal	<u>\$69,609</u>
Total Salaries and Mandatory Fringe Benefits	<u>\$135,000</u>
Recapitulation	
Salaries - Sunday Manual Street Cleaning Program	\$55,797
Salaries - Daily Manual Street Cleaning Program Addition	<u>59,397</u>
Subtotal- Salaries	\$115,194
MFB - Sunday Manual Street Cleaning Program	9,594
MFB - Daily Manual Street Cleaning Program Addition	<u>10,212</u>
Subtotal - Mandatory Fringe Benefits	<u>19,806</u>
Total - Salaries and Mandatory Fringe Benefits	<u>\$135,000</u>

Comments:

1. According to the DPW, the cessation of the Sunday Manual Street Cleaning Program and the reduction to the Daily Manual Street Cleaning Program occurred in July of 1993 because of the increase in budgetary salary savings required by the Mayor's Office.
2. The proposed supplemental appropriation request would continue the Manual Street Cleaning Program and the three manual block sweeps from January, 1994 through June 1994. These activities are currently funded under a separate supplemental appropriation (File 101-93-12) for the five month

period from August, 1993 through December 1993. The estimated annual cost of this program is \$270,000.

3. According to Undersheriff Eileen Hirst of the Sheriff's Department, the Sheriff's Work Alternative Program (SWAP) is an alternative to incarceration, and SWAP participants are misdemeanants² who would otherwise serve jail time. The average daily cost for keeping one inmate in the County jail is \$59, and the daily cost for keeping one inmate in rented jail beds in Alameda County is \$68 per day, while the Sheriff's average daily per person cost for SWAP is approximately \$8. Inmates are responsible for paying this \$8 cost if they have the means to do so.

4. Ms. Hirst further reports that the number of days a SWAP participant would have spent in jail does not correspond with the number of days that participant is in SWAP. Also, costs for inmates to stay in the County jail are mostly fixed, so that the Sheriff's budget is not reduced by \$59 for each reduction in the number of inmates daily.³ Actual cost savings would only occur if the Sheriff's Department rented fewer beds in Alameda County as a result of the SWAP program, since rented jail beds are a variable cost. However, reductions in the number of inmates in the County jails reduce overcrowding.

5. The 10 Supervisor I positions requested under this appropriation would each be responsible to supervise one team of up to five SWAP participants. The one Supervisor II position would be responsible for supervising the ten Supervisor Is. The SWAP participants would be responsible for cleaning the streets manually (such as picking up trash and sweeping debris). The Supervisor I and Supervisor II positions and the SWAP participants would implement the Sunday Manual Street Cleaning Program.

6. The three Laborer positions requested under this appropriation would be responsible for providing daily manual street cleaning services, as part of the manual block sweeps.

7. The budgeted amount for the Sunday Manual Street Cleaning Program is calculated on the fact that 26 Sundays occur during the proposed six-month period January through June 1994. Because this Program has not operated in the past on Easter Sundays, the budget amount can be

²In rare cases, a sentenced felon may also participate in the program.

³An inmate spends up to eight hours during the day participating in one of the various SWAP activities.

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reduced by one Sunday or \$2,515 (\$2,146 for salaries and \$369 for fringes) from \$65,391 to \$62,876. The total budget amount would be reduced from \$135,000 to \$132,485.

Recommendations: 1. Reduce the proposed supplemental appropriation ordinance by \$2,515 (\$2,146 for salaries and \$369 for fringes) from \$135,000 to \$132,485 as described in Comment 6 above and amend the proposed ordinance as follows:

- Lines 2, 13, 15, 16, 21 and 24, reduce \$135,000 to \$132,485;
- Line 22, reduce \$115,194 to \$113,048; and
- Line 23, reduce \$19,806 to \$19,437.

2. Approval of the proposed ordinance, as amended, is a policy matter for the Board of Supervisors.

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Items 21 and 22 - Files 101-93-45 and 102-93-13

Department: Chief Administrative Officer

Items: Supplemental appropriation for programmatic project for the creation of one position for Project Management of a new 911 Emergency Response Communications Facility; ordinance amending the Annual Salary Ordinance reflecting the creation of one position.

Amount: \$169,268 for nine months (January 1, 1994 through September 30, 1994)

Source of Funds: General Fund - General Reserve

Description:

1. The Board of Supervisors recently adopted legislation creating a 911 Emergency Response Fee of \$0.50 per telephone access line per month in order to partially fund the construction of a new 911 Emergency Response Communications Facility. Collection of the fee will not begin until September 1, 1994.
2. The provisional financing plan for the project, prepared for the Budget Committee of the Board of Supervisors by the CAO, the Controller and the Budget Analyst, estimated that project management costs of \$300,000 would have to be incurred by the General Fund for the period prior to collection of the 911 Emergency Response Fee on September 1, 1994. Project management will be the primary responsibility of the CAO, in consultation with the Mayor's Office of Emergency Services (OES).

As of the writing of this report, the Budget Analyst is informed that a second supplemental appropriation for OES project management is pending.

2. This proposed supplemental appropriation of \$169,268 is a programmatic project appropriation intended to fund needed activities for nine months (January 1, 1994 through September 30, 1994). Funds would be carried over to the 1994-95 Fiscal Year. When the 911 Emergency Response Fee is collected, project management costs will be paid for from a special fund created for the purpose of depositing such fees.

3. The proposed nine-month budget for the CAO's project management services is as follows:

(1) Special Assistant XIII for six months

January through June, 1994 \$5,953 per month for six months	\$35,718
July through September, 1994 - \$6,240 per month for three months	<u>18,720</u>
Sub-total - Salaries	\$54,438
Mandatory Fringe Benefits @ 18.9% (rounded)	10,330
Contractual Services (to assist with development of an RFP for communications hardware and software)	100,000
Personal computer and printer	4,000
Material and Supplies	<u>500</u>
Total Supplemental Appropriation Request	\$169,268

Comments:

1. Since the CAO has not selected a contractor for this project, the amount of \$100,000 should be reserved pending the provision of additional details including the MBE/WBE status of the contractor.

2. The staff position is funded for nine months (January 1 through September 30, 1994). However, the 911 Emergency Response Fee will be collected beginning September 1, 1994. Therefore the appropriation can be reduced by \$7,375, the amount of salaries and fringe benefits for one month for the Special Assistant XIII position.

Recommendation: Amend the proposed supplemental appropriation to reduce the amount by \$7,375 from \$169,268 to \$161,893.

Further amend the proposed supplemental appropriation to reserve \$100,000 for contractual services pending the provision of additional details including the MBE/WBE status of the contractor.

Based on the Board of Supervisors prior approval of the 911 Emergency Response Communications Project, approve the supplemental appropriation as amended.

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Item 23 - File 101-93-47

Department: Fire Department

Item: Supplemental appropriation ordinance for Permanent Salaries - Uniform, Overtime and related fringe benefits; subject of previous budgetary denial

Amount: \$4,900,000

Source of Funds: General Fund Reserve

Description: Although the Fire Department's Suppression Division must maintain full staffing at all times at all Fire Stations, the Mayor's proposed budget for Fiscal Year 1993-94 included an approximately \$5.1 million reduction in salaries as compared to Fiscal Year 1992-93 plus an approximately \$1.8 million reduction in Overtime and a corresponding decrease in fringe benefits. Because of a prior freeze on hiring, precluding retiring Firefighters and Officers from being replaced, in order to maintain the full staffing level, some Firefighters and Officers must work extra shifts at the overtime rate of time and one half.

The Firefighters' pay and other working conditions are currently governed by a three-year Memorandum of Understanding (MOU) with the Firefighters' Union for Fiscal Years 1992-93, 1993-94 and 1994-95. This MOU includes a pay increase for 1993-94. The Mayor's Fiscal Year 1993-94 reductions in uniform salaries and overtime budgets were proposed in anticipation of negotiating concessions with the Firefighters Union (including freezing pay at the 1992-93 level) that would result in savings equivalent to the budget reductions. However, the Firefighters Union did not concur with all requested concessions and, as a result, the Fire Department's 1993-94 budget is not sufficient to provide full staffing. The proposed supplemental appropriation would add back sufficient uniform salaries, overtime and fringe benefits for the Fire Department to maintain full staffing for the full year.

The Firefighters Union has agreed to one concession whereby Firefighters and Officers would be given compensatory time off in the future instead of Holiday Pay for six holidays, annually in Fiscal Years 1993-94 and 1994-95. The Fire Department estimates that if the proposed change in the Firefighters MOU is approved by the City (approval of the MOU change regarding Holiday Compensatory Time Off is the subject of two items, Files 93-93-14 and 93-93-14.1, currently calendared for

a joint meeting of the Budget and Government Efficiency and Labor Committees on December 15, 1993), the Fire Department would realize a \$2.56 million savings in Fiscal Year 1993-94 in Holiday Pay.

The Fire Department's actual expenditures through November 5, 1993 and projected expenditures through the end of Fiscal Year 1993-94 are as follows:

	<u>Actual Expenditures 7/1/93-11/5/93</u>	<u>Projected Expenditures 11/6/93-6/30/94</u>	<u>Total Projected Expenditures</u>
Permanent Salaries - Uniform	\$24,665,321	\$45,454,943	\$70,120,264
Overtime	1,375,454	2,526,650	3,902,104
Mandatory Fringe Benefits	11,407,030	21,134,307	32,541,337
Other Fringe Benefits	1,375,731	2,562,769	3,938,500

The estimated budgetary shortfalls resulting from these salary, overtime and fringe benefit projections are as follows:

	<u>Total Project Expenditures 1993-94</u>	<u>1993-94 Budget</u>	<u>Estimated Budgetary Shortfall</u>
Permanent Salaries - Uniform	\$70,120,264	\$65,945,891	\$4,174,373
Overtime	3,902,104	1,350,399	2,551,705
Mandatory Fringe Benefits	32,541,337	31,285,513	1,255,824
Other Fringe Benefits	3,938,500	2,418,982	1,519,518

The proposed supplemental appropriation ordinance would reduce the Fire Department's estimated budgetary shortfalls, as follows:

	<u>Estimated Budgetary Shortfall</u>	<u>Proposed Supplemental Appropriation</u>	<u>Difference</u>
Permanent Salaries - Uniform	\$1,614,373*	\$1,227,008	\$387,365
Overtime	2,551,705	1,531,570	1,020,135
Mandatory Fringe Benefits	1,255,824	1,255,824	-
Other Fringe Benefits	<u>1,519,518</u>	<u>885,598</u>	<u>633,920</u>
Total	\$6,941,420	\$4,900,000	\$2,041,420

* \$4,174,373 Estimated Budgetary Shortfall from previous table less estimated \$2.56 million savings from Holiday Compensatory Time Off MOU change.

The Fire Department projects savings in other salary accounts to make up the \$2,041,420 balance of the estimated budgetary shortfalls.

Comment: Because the \$4.9 million for salaries, overtime and fringe benefits were excluded from the Mayor's proposed Fiscal Year 1993-94 budget for the Fire Department, as approved by the Board of Supervisors, the proposed supplemental appropriation ordinance to restore the \$4.9 million in order to provide full funding for the Fire Department for FY 1993-94 is the subject of previous budgetary denial and requires eight votes (two thirds majority) of the Board of Supervisors for approval.

Recommendation: Approval the proposed ordinance is a policy matter for the Board of Supervisors.

Item 24 - File 101-93-48

Department: Mayor's Office of Community Development (MOCD)

Item: Supplemental Appropriation for the Mayor's Office of Community Development (MOCD) for contractual services to manage the City's Day Laborer Program.

Amount: \$20,000

Source of Funds: Day Laborer Program General Fund Reserve Established by the Board of Supervisors in the FY 1993-94 Budget.

Description: The proposed supplemental appropriation would increase the Day Laborer Program in the approved FY 1993-94 budget for the Mayor's Office of Community Development (MOCD) by \$20,000 from \$75,000 to \$95,000. The Day Laborer Program had a \$100,000 budget in FY 1992-93 when it was administered by the Public Guardian.

The Day Laborer Program assists individuals to find casual day work. The program provides for a trailer, referred to as the Day Laborer Hiring Hall, parked at Franklin Square (Hampshire and 17th Streets) which provides a centralized location from which day laborers can solicit employment.

The purpose of the Day Laborer Program is to meet the needs of day laborers who are congregating primarily on street corners in the areas of Duncan and Valencia Streets, Army and Mission Streets and South Van Ness Avenue and Army Street. Other street locations, as yet to be designated, are to be added to these locations to permit a possible future expansion of the Day Laborer Program, funds permitting. In addition, the Day Laborer Program is to eliminate unfair labor practices that have previously occurred when employers have hired day laborers.

Currently, employers who hire day laborers are asked to register with the Day Laborer Program. This procedure allows MOCD program personnel to monitor employment activities that will minimize violations related to fair wages and employee hours. The Day Laborer Program is also intended to help alleviate the problems associated with large groups of laborers congregating in either commercial or residential zones of the City.

At the present time, the Day Laborer Program is administered by the Mayor's Office of Community Development (MOCD)

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with two on-site MOCD temporary employees. MOCD advises that the Day Laborer Program will be managed by a non-profit corporation beginning January 1, 1994 or soon thereafter. The existing two temporary employees will be either terminated or hired by the nonprofit corporation selected by MOCD to administer the Day Laborer Program.

Comments:

1. As indicated above, the direct administration of the Day Laborer Program is to be transferred from the MOCD to a nonprofit agency with the awarding of a contract to begin on January 1, 1994 or soon thereafter. The contract will be administered by the MOCD.
2. To date, and as projected through December 31, 1993, MOCD advises that the existing Day Laborer Program budget for FY 1993-94 will cost \$43,022 thus leaving a remaining balance of \$31,978 that would be currently available for contract services to administer the program as follows:

<u>Description</u>	<u>Amount</u>
Original FY 1993-94 Day Laborers Program Budget	\$75,000
Less: Program Expenditures for the Six Month Period, 7/1/93 through 12/31/93	
Temporary Salaries	
1 9770 Community Development Assistant	9,229
1 1426 Senior Clerk Typist	11,670
Mandatory Fringe Benefits	2,217
Non-Personnel Services (utilities, telephone trailers, water, scavenger)	5,310
Project Costs for December 1993	<u>5,502</u>
Subtotal	\$33,928
MOCD Administration (not CDBG eligible)	4,654
One month severance for Temporary Employees	<u>4,440</u>
Less: Total Program Expenditures	<u>43,022</u>
Remaining Balance to Contract with a Nonprofit Agency for the Administration of the Day Laborers Program for the Six Month Period January through June, 1994	\$31,978

3. The proposed \$20,000 supplemental appropriation ordinance would increase the available budgeted funds from \$31,978 to \$51,978 for the administration of the Day Laborer Program during the six-month period, January through June 1994.

4. The MOCD is currently reviewing proposals from two non-profit corporations that have responded to MOCD's Request for Proposal (RFP) to manage the Day Laborer Program beginning January 1, 1994. As of the writing of this report, the MOCD does not have the contract cost details to analyze the additional costs of this program.
5. Until the MOCD provides the cost details regarding the required contract with a nonprofit agency to administer the Day Laborer Program, this request should be continued.

Recommendation: Continue the supplemental appropriation request to the call of the Chair pending release of the cost details related to the contract with a nonprofit agency for purposes of administering the Day Laborer Program.

Items 25 and 26 - Files 101-93-61 and 102-93-14

Department: Sheriff

Item: Item 25, File 101-93-61 Supplemental Appropriation Ordinance for Permanent Salaries; providing for ratification of action previously taken and subject of previous budgetary denial.

Item 26, File 102-93-14 Amendment to Annual Salary Ordinance to create five new 8274 Police Cadet positions

Amount: \$1,416,638

Source of Funds: General Fund Reserve

Description: In order to avoid fines assessed by the Federal Court for overcrowding at Jail No. 1 and to comply with the Besk case settlement agreement, the Sheriff's Office has had to increase their staff by 54 positions in the last year.

The 1993-94 General Fund budget for the Sheriff's Office also includes increases in required Salary Savings, which impact on operation of the jails, providing court security and administration, of approximately \$1,850,000. Salary savings would increase from an approximate rate of 2.3 percent in 1992-93 to approximately 7.2 percent in 1993-94. However, at a time when new staff is being hired in order to meet legal mandates and existing staff levels must also be maintained to meet these legal mandates, the Sheriff's Office has not been able to absorb this 7.2 percent salary savings requirement. Therefore, the Sheriff's Office is requesting this proposed supplemental appropriation to restore funding for salaries for 30 Deputies that would otherwise have been laid off to meet the 1993-94 salary savings budget requirement. The new salary savings requirement would then be 2.0 percent instead of 7.2 percent.

The Sheriff's Office estimates actual and projected spending for salaries in 1993-94 as follows:

Actual Expenditures - 7/1/93-11/19/93	\$10,329,700
Projected Expenditures 11/20/93-6/30/94	<u>16,081,601</u>
Total Projected Expenditures	\$26,411,301
Budget	<u>25,025,463</u>
Projected Budgetary Shortfall	\$1,385,838

The proposed ordinance (Item 26, File 102-93-14) to amend the Annual Salary Ordinance would create five new 8274 Police Cadet positions for the Sheriff's Office. The term "Police" in the Police Cadet title does not imply any connection with the Police Department but refers to the type of duties performed. 8274 Police Cadets typically perform various duties such as clerical-office work, performing urine sampling of jail inmates, taking photographs and fingerprints for identification badges and computer work.

The Sheriff already has five such 8274 Police Cadet positions but needs an additional five positions in order to provide entrance security for City Hall that was previously performed by the Police Department.

In order to provide entrance security for City Hall as soon as possible after the Police Department ceased that function, the Sheriff's Office actually hired the five new 8274 Police Cadets on August 25, 1993. Police Cadets rotate through their various duties in addition to training and are providing the equivalent of 2.8 FTEs (112 hours per week) of entrance security for City Hall. 8274 Police Cadets are paid \$822 biweekly or \$21,454 annually. The proposed five new positions would cost an additional \$107,270 annually plus fringe benefits. The Sheriff's Office has been funding the five new positions from their existing salary budget in anticipation of the proposed supplemental appropriation ordinance to alleviate a total projected budgetary shortfall in 1993-94, including funding for the five new Police Cadets.

Comments:

1. Based on more current spending details than were available when the proposed supplemental appropriation request was originally prepared, the Sheriff's Office projects a budgetary shortfall of \$1,385,838 or \$30,800 less than the proposed supplemental appropriation of \$1,416,638. Therefore the proposed supplemental appropriation ordinance should be reduced by \$30,800 from \$1,416,638 to \$1,385,838.
2. The Sheriff's Office requested full funding of salaries in their proposed budget for FY 1993-94 to the Mayor's Office. As noted above, the finally approved budget recommended by the Mayor included salary savings such that full funding was denied. Therefore, the proposed supplemental appropriation ordinance (File 101-93-61) that would restore full funding is the subject of previous budgetary denial which requires eight votes (two thirds majority) of the Board of Supervisors for approval.

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Recommendations:

1. Amend the proposed supplemental appropriation ordinance, File 101-93-61, to reduce the supplemental appropriation by \$30,800 from \$1,416,638 to \$1,385,838 and approve the proposed ordinance as amended.
2. Approve the proposed ordinance, File 102-93-14, to amend the Annual Salary Ordinance.

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Item 27 - File 101-93-62

Departments: Sheriff
Department of Public Works (DPW)

Item: Supplemental appropriation ordinance for cost overruns to complete the new jail facility.

Amount: \$3,500,000

Sources of Funds: Rescission of previously approved Capital

Improvement Projects	\$ 800,000
General Fund General Reserve	<u>2,700,000</u>
	\$3,500,000

Description: Pursuant to a consent decree regarding overcrowding of prisoners at Jail No. 1, the Sheriff is constructing a new jail facility behind the Hall of Justice. The new jail will have a capacity of 440 inmates and will include new intake/booking/release, work furlough and medical/psychiatric facilities. Funding for the new jail facility comes from State Propositions 52 and 86 bond revenues, local Proposition A bond revenues and the General Fund.

The proposed \$3.5 million supplemental appropriation would fund additional costs incurred on this project primarily caused by two factors, (a) incomplete plans and specifications for the project when it was begun and (b) delayed completion of the project due to additional work and inspections and approvals by various agencies not anticipated in the original time schedule.

Mr. Herman Alcalde, the DPW Project Manager, states that due to the lack of sufficient time to prepare plans and specifications between the time that State Proposition 52 and 86 funding became available and the deadlines to qualify for that funding, the plans and specifications for the project were incomplete. As a result of incomplete plans and specification for the project, there have been 158 change orders in order to make the new structure fit its intended purpose. The more significant change orders exceeding \$100,000 each are as follows:

Affirmative Action Coordinator - \$119,878

2 years funding of an Affirmative Action Coordinator position for the Human Rights Commission. This position works exclusively on ensuring compliance with City ordinances by the various contractors and subcontractors.

Site Access Restriction - \$133,663

Construction startup had to be delayed because of delays in completion of improvements to leased parking lots for police cars displaced during construction of the new jail facility. This delay required construction crews (and administrative staff) to wait 46 days before continuing construction of the new jail.

Single Cells on Third and Fifth Floors - \$439,409

The Sheriff's Office changed the design of the third and fifth floors from a dormitory style living area to single prisoner cells for added security.

Additional Demolition - \$121,015

The new jail is being built on a site behind the Hall of Justice that was previously used as a parking lot. When preparation of the site was begun, the demolition crew discovered that the concrete slab that had to be removed was thicker than anticipated. The necessity to perform additional demolition work to remove the concrete slab resulted in a 14 day delay in the start of other construction.

Incomplete Specifications and Plans for Kitchen, Laundry and Secured Passageway - \$521,160

DPW reports that the plans and specifications for the kitchen and laundry facilities for the new jail and for the secured passageway connecting the new jail to the Hall of Justice were incomplete and had to be completed before construction could commence.

Medical/Psychiatric Facilities - \$377,412

Changes were required in plans and specifications to meet State Board of Corrections and City Department of Public Health requirements for the layout of cells to insure adequate security and also meet medical requirements.

Toilet/Sink Fixtures for Cells - \$147,274

The original plans and specifications were based on the combination toilet/sink fixtures being serviced from within the cell, requiring the prisoner to be taken out of the cell. Because the plans and specifications also included service access spaces behind the cells, new toilet/sink fixtures were required that could be serviced from the access spaces and the cell rear wall design had to be modified.

Security Controls and Hardware - \$573,960

The original plans and specifications did not include provisions for all required security control systems. Changes were also necessary to all doors and door frames in order to install the proper locks.

The second cause for the increased cost of the new jail includes delays for inspections and approvals by various State and local agencies in addition to the normal building code inspections performed by the Bureau of Building Inspection. Construction crews must remain at the construction site to make changes that are required by these agencies. The agencies include the following:

State Board of Corrections
State Fire Marshall
Regional State Fire Marshall
Local Fire Marshall
State Department of Transportation (Cal-Trans)
Department of Public Health (City)

The original estimated completion date for the new jail facility was September 8, 1993. However, due to the numerous changes to plans and specifications, delays in construction and approvals necessary, the construction management consultant revised the completion date first to January 31, 1994 and now, due to additional problems and delays, estimates a completion date of July 31, 1994 or 11 months beyond the original completion date.

The budget and projected expenditures to complete the new jail, based on a revised completion date of July 31, 1994, are as follows:

	Projected Original Expenditures Project Budget	7/1/91 - 1/31/94	Projected Expenditures 2/1/94 - 7/31/94	Projected Overruns
Consultants:				
Architectural and Engineering	\$3,372,360	\$4,104,825	\$50,000	\$782,465
Environmental Impact Report	35,000	52,190	—	17,190
Construction Management	1,287,983	2,237,961	423,936	1,373,964
Geological Technician Services	126,587	180,439	—	53,852
Department of Public Works:				
Bureau of Building Inspection	270,400	380,469	67,602	177,671
Bureau of Architecture	571,071	682,550	161,676	273,155
Construction (Contractor)	39,117,000	39,117,000	—	—
Contingencies (Change Orders)	3,911,700	3,104,108	4,042,515	3,234,923
Art Enrichment	180,000	223,394	—	43,394
Parking Lot Relocation	—	110,996	—	110,996
Other (Asbestos Abatement and Permits)	<u>115,785</u>	<u>149,535</u>	<u>—</u>	<u>33,750</u>
Total Costs	\$48,987,836	\$50,343,467	\$4,745,729	\$6,101,360
Additional Available Funding*				<u>2,601,307</u>
Total Projected Cost Overruns				\$3,500,053
Rounded to present need (subject of this report)				\$3,500,000

* The Sheriff's Office obtained funding in addition to the original State Propositions 52 and 86, City Proposition A and General Fund appropriations by a supplemental appropriation of interest earned on bond proceeds (before the proceeds were expended) and from unused balances of other Sheriff's capital improvement projects.

Comments: 1. The Sheriff's Office estimates additional costs of \$779,581 to prepare the new jail for occupancy not included in the proposed supplemental appropriation. These estimates do not include operating costs such as new staff, supplies, utilities, training, Deputy uniforms and gear and maintenance. The Sheriff's Office has not yet identified a source of funding for these costs. These estimated additional costs are as follows:

Equipment	\$77,875
Furnishing	522,344
Computers	<u>179,362</u>
Total	\$779,581

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2. In their November 19, 1993 letter to the Sheriff, the Construction Management Consultant estimated that the cost to the City to halt construction in January, 1994 and begin construction again in September, 1994 would cost the City approximately \$7.2 million.
3. The Sheriff's FY 1993-94 budget includes approximately \$8.5 million for housing prisoners in the Alameda County Jail and in other local facilities. Also, 24 of the 54 Deputy Sheriff positions added are designated for providing transportation of prisoners between San Francisco and the Alameda County Jail. The 24 positions add approximately \$1.0 million to the Sheriff's budget annually. Therefore, upon completion of the new jail facility, these costs totalling approximately \$9.5 million annually (\$8.5 million for alternate housing facilities and \$1.0 for transportation Deputy Sheriff staff) could be saved.

Recommendation: Approve the proposed supplemental appropriation ordinance.

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Item 28 - File 101-93-63

Department: Department of Social Services (DSS)

Item: Supplemental appropriation request in the amount of \$5,778,015 for General Assistance aid payments (\$5,678,015) and non-personal services to implement the Fingerprinting Program (\$100,000)

Amount: \$5,778,015

Source of Funds:	General Fund - General Assistance Reserve	\$3,178,015
	General Fund - General Reserve	<u>2,600,000</u>
	Total	\$5,778,015

Description: 1. The 1993-94 original appropriation for General Assistance aid payments is \$46.7 million. During the 1993-94 budget hearings, the Budget Analyst reported that the appropriation was underfunded by approximately \$5.1 million based on our estimates of caseload and total payments.

2. The DSS has provided the Budget Analyst with net General Assistance aid payment data for the period July 1, 1993 through October 31, 1993. Based on these actual data, the DSS projects an underfunding of General Assistance aid payments amounting to \$5,678,015. The Budget Analyst has reviewed the data provided by DSS. We concur with the estimated underfunding of \$5,678,015. However, should caseloads increase during the spring of 1994, as has happened in the last two fiscal years, the amount needed for the remainder of the 1993-94 fiscal year could exceed this estimate of \$5,678,015.

3. As of the writing of this report, the Budget Analyst has not received information on the requested \$100,000 for implementation of the Fingerprinting Program in 1993-94.

Recommendation: Continue the proposed supplemental appropriation for one week pending provision of information on implementation of the Fingerprinting Program.

Items 29 and 30 - Files 101-93-68 and 102-93-12

Department: Public Library

Item: Item 29 - File 101-93-68: Supplemental appropriation ordinance for restoration of 98 permanent Library positions and restoration of adult book budget for fiscal year 1993-94. Since this appropriation is the subject of previous budgetary denial, final approval will require a two-thirds vote of the Board of Supervisors.

Item 30 - File 102-93-12: Ordinance amending the Annual Salary Ordinance for 1993-94 to reflect the addition of 98 positions to the Public Library.

Amount: \$4.0 million

Source of Funds: Board of Supervisors General Fund Reserve (In lieu of Parcel Tax)

Description: The proposed supplemental appropriation request (File 101-93-68) would be used to restore 98 positions that were removed from permanent status in the FY 1993-94 budget. The positions were placed on temporary status and funded for six months, pending the outcome of a proposed Parcel Tax ballot measure. The cost of restoring the positions would be \$3,677,539, including salaries, premium pay, as needed positions and mandatory fringe benefits.

In addition to restoring personnel, the proposed supplemental appropriation request would restore \$322,461 to the adult book budget, bringing the total book budget close to the FY 1992-93 level of approximately \$1 million.

The proposed supplemental appropriation would be funded from the Board of Supervisors General Fund Reserve which was established by the Board of Supervisors during the 1993-94 budget adoption process in order to avoid the necessity for voters to approve a Library Parcel Tax which would have provided \$4.0 million to the Public Library in 1993-94.

The proposed ordinance to amend the 1993-94 Annual Salary Ordinance (File 102-93-12) would restore the following positions to permanent status in the Library Department:

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<u>Classification/Title</u>	<u>No. of Positions</u>	<u>Bi-Weekly Salary</u>	<u>Salaries to be Restored</u>
Branch Program			
1446 Secretary II	1	\$1,185/ 1,436	\$35,410
3610 Library Assistant	14	1,073/ 1,298	428,547
3616 Library Tech Asst. I	18	1,267/ 1,535	651,162
3618 Library Tech Asst. II	4	1,388/ 1,682	22,704
3630 Librarian I	17	1,520/ 1,844	648,276
3632 Librarian II	15	1,698/ 2,063	695,878
3634 Librarian III	8	1,871/ 2,274	471,461
7355 Truck Driver	1	1,484/ 1,890	45,891
Main Program			
1424 Clerk Typist	1	979/ 1,185	29,086
3602 Library Page	1	866/ 1,047	26,674
3610 Library Assistant	1	1,073/ 1,298	15,837
3616 Library Tech Asst. I	3	1,267/ 1,535	116,648
3630 Librarian I	3	1,520/ 1,844	114,401

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Support Services and Administration Program

<u>Classification/Title</u>	<u>No. of Positions</u>	<u>Bi-Weekly Salary</u>	<u>Salaries to be Restored</u>
1222 Senior Payroll & Pers.	1	1,323/ 1,603	40,847
1242 Personnel Analyst	1	1,520/ 1,844	18,048
2708 Custodian	7	984/ 1,191	198,048
2716 Custodial Asst. Sup.	1	1,083/ 1,310	33,383
3610 Library Assistant	1	1,073/ 1,298	<u>30,609</u>
TOTAL POSITIONS	98		\$3,622,910
Premium Pay			38,259
As Needed Positions (Truck Driver and Stationary Engineer)			<u>16,370</u>
Total Permanent Salaries			\$3,677,539
Mandatory Fringe Benefits			546,859
Books			<u>322,461</u>
Total Required to Restore Library Services			\$4,546,859
Less Funds to be Transferred from Temporary Salaries			<u>(546,859)</u>
Net Supplemental Appropriation Request			\$4,000,000

Comments:

1. According to the proposed ordinance (File 101-93-68), the Library requires a total of \$4.0 million to restore the 98 positions that were removed from permanent status in the FY 1993-94 budget. However, as described in the table above, to restore those positions the Library would require a transfer of \$546,859. Ms. Grover reports that the transfer of \$546,859 represents the unspent Temporary Salaries from

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the FY 1993-94 budget that would be transferred to Permanent Salaries and Mandatory Fringe Benefits.

2. If the proposed ordinance is not approved, Library Personnel Director Diana Buchbinder advises that, at a minimum, the following personnel cuts will occur:

<u>Library Division</u>	<u>Current Staff</u>	<u>Reduction if Supplemental is Not Approved</u>	<u>Remaining Staff</u>
Main	100	(9)	91
Branches	80	(78)	2
Tech Svcs.	37	0	37
Admin.	57	(11)	46
Children's			
Baseline	<u>63</u>	<u>0</u>	<u>63</u>
TOTAL	337	(98)	239

The staff reductions detailed above represent specifically those formerly permanent positions that were funded for six months under Temporary Salaries. As indicated above, 80 percent of the staff reductions would be from Branch Libraries. Ms. Buchbinder states that the Library would actually have to make many more personnel cuts if funding for these positions is not restored because of fringe benefit overspending in the first six months of the fiscal year. (Ms. Buchbinder states that, because this supplemental appropriation has been anticipated, the Library has paid fringe benefits for the 98 Civil Service employees).

Ms. Buchbinder states that approval of the proposed supplemental appropriation ordinance will provide the Library with sufficient funds to maintain personnel and services at current levels for the remainder of the fiscal year.

3. If the proposed supplemental appropriation is not approved, Ms. Seema Grover of the Public Library reports that the Library anticipates at least the following reductions in services for the remainder of the fiscal year:

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<u>Library Site/ Program</u>	<u>Current & Projected level w/ Supplemental</u>	<u>Jan.-June 1994 If Supplemental is Not Approved</u>
Main Library	5.5 days/wk 1 night 47 hrs./wk	5 days/week no nights 35 hrs./wk
Resource Branches	6 sites 5 days/wk 1 night 34 hrs./wk	2 sites 5 days/wk 1 night 25 hrs./wk
Neighborhood Branches	13 sites 5 days/wk 1 night 30-34 hrs/wk	3 sites 5 days/wk 1 night 25 hrs/wk
Reading Centers	7 sites 4 days/wk 20 hrs/wk	0 sites
Library on Wheels	30-33 Stops 4 days/wk	Service discontinued
Library for the Blind	1 site 5 days/wk 1 night 30-34 hrs/wk	Service discontinued
Technical Services	Materials Purchased	Reduced
Administration	Administrative Services	Reduced

4. The FY 1993-94 Budget removed 100, rather than 98, formerly permanent positions. The two positions that have not been restored under the proposed amendment to the Annual Salary Ordinance (File 102-93-12) are grant funded positions. There are two 3630 Librarian I positions. Mr. David Heindel of the Mayor's Office advises that the Mayor is recommending that these positions not be restored to permanent status during FY 1993-94. The positions are fully funded by grants for FY 1993-94, but would have to receive General Fund support in FY 1994-95.

Recommendations: Approval of the proposed ordinances are policy matters for the Board of Supervisors.

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Item 31 - File 100-93-17

This is a hearing to consider supplemental appropriation requests submitted by the District Attorney, Public Defender, Superior Court and the Police Department. The Budget Analyst is currently reviewing each of these proposed supplemental appropriations and will report on each of them for the Budget Committee's December 22, 1994 meeting.

Each of these proposed supplemental appropriation requests are discussed below.

District Attorney: **\$1,000,000 for Permanent Salaries and Mandatory Fringe Benefits; funded from General Fund - General Reserve (File 101-93-46)**

The District Attorney's Fiscal Year 1992-93 General Fund budget for general prosecution and administration salaries was \$11,797,513 before salary savings of \$839,056 (7.1 percent of \$11,707,513) for a net salaries budget of \$10,958,457. The Fiscal Year 1993-94 salary budget is \$11,714,386 less salary savings of \$1,256,813 (10.7 percent of \$11,714,386) for a net salaries budget of \$10,467,573.

Although the net amount budgeted for salaries in 1993-94 has decreased by \$490,884 (\$10,958,457 for 1992-93 less \$10,467,573 for 1993-94) from \$10,958,457 for 1992-93 to \$10,467,573 for 1993-94, the number of felony cases handled by the District Attorney has steadily increased as follows (based on Municipal Court filings statistics compiled by the State Justice Department):

1990	9,189
1991	10,153
1992	11,400

In addition to felony and misdemeanor cases that all County District Attorneys must prosecute, the San Francisco District Attorney also performs other services such as rebookings, Grand Jury investigations, public corruption investigations, environmental and consumer fraud investigations, civil cases and police support activities. The District Attorney reports losing 25 positions including six attorneys, eight investigators and 11 support staff since 1988.

In order to meet their legally mandated prosecution requirements, the District Attorney's Office has incurred actual general prosecution costs through

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November 19, 1993 and projects general prosecution costs from November 20, 1993 through June 30, 1994 as follows:

Actual expenditures - 7/1/93-11/19/93	\$4,266,730
Projected expenditures - 11/20/93-6/30/94	<u>6,730,453</u>
Total Projected Expenditures	\$10,997,183
Budget	<u>10,054,545</u>
Projected Shortfall - Salaries	\$942,638
Fringe Benefits (19.5%)	<u>183,814</u>
Total Projected Budgetary Shortfall	\$1,126,452

According to the District Attorney's Office, of all the legally mandated services performed when a shortage in resources occurs such as the projected budgetary shortfall that is the subject of the proposed supplemental appropriation, the District Attorney's Office will first reduce the prosecution of non-violent misdemeanors in order to stay within budgeted funding for prosecution. Although the District Attorney's Misdemeanor Unit has 18 attorney positions authorized, the unit is currently operating with only 12 attorneys.

The proposed supplemental appropriation would provide an additional \$862,069 for prosecution salaries and \$137,931 for fringe benefits for a total of \$1,000,000. The \$80,569 balance of the projected shortfall in salaries (\$942,638 less \$862,069) and the \$45,883 balance of the projected shortfall in fringe benefits (\$183,814 less \$137,931) for a total additional shortfall of \$126,452 would be made up through savings in other accounts.

Public Defender and Superior Court: **\$500,000 for fees and other compensation for capital defense costs - capital cases; funded from General Fund - General Reserve (File 101-93-52)**

California State law requires counties to pay for the defense of all capital cases in which the accused defendant is indigent. Funding for the defense of indigents in capital cases is budgeted in the General City Responsibility Division of the Controller's Office. The Public Defender's Office is responsible for defending

indigents except for cases in which there are multiple defendants, when there is some other conflict such as the defendant having been a witness in another Public Defender case or when the Public Defender does not have sufficient staff to handle the cases. In cases involving multiple defendants, the Public Defender can only defend one indigent defendant. When the Public Defender cannot accept cases, such cases must be assigned to private, outside attorneys appointed by the Superior Court from a panel of qualified attorneys.

Currently the Superior Court and the Public Defender together have a total of eight indigent capital cases open that require the use of private attorneys. Although cost details of the cases are confidential by law, the Superior Court and Public Defender indicate that the eight cases are estimated to cost between approximately \$10,000 and approximately \$110,000, each. The proposed supplemental appropriation is required in order for the Superior Court and the Public Defender to meet their obligations for the defense of indigents accused of capital crimes, in accordance with State law. The Superior Court and Public Defender project a \$500,000 budgetary shortfall in funding for defense of indigent capital cases for Fiscal Year 1993-94 as follows:

Actual expenditures 7/1/93 - 11/24/93	\$263,300
Projected Expenditures 11/25/93 - 6/30/94	<u>500,000</u>
Total Projected Expenditures	\$763,300
Current General City Responsibility Budget	<u>265,200</u>
Projected Budgetary Shortfall	\$498,100
Rounded to	\$500,000

Superior Court:

\$1,221,775 for fees and other compensation for Indigent Defense Costs non-capital cases; funded from General Fund - General Reserve (File 101-93-65)

State Law requires that the Public Defender provide defense services in cases where the defendant is an indigent. However, in some cases the Public Defender cannot accept a case and is required by law to assign the case to a private, outside attorney. Such occasions normally arise under three conditions: (1) there are co-defendants in the case and the Public Defender is limited to defending only one such defendant, (2) the defendant has served as a material witness in another case served

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by the Public Defender and (3) the Public Defender does not have sufficient staff to handle all cases. In such cases, the Superior and Municipal Courts select an outside attorney to provide counsel for indigent defendants from a list of attorneys provided to the Superior and Municipal Courts by the San Francisco Bar Association.

The costs of the outside attorneys for conflict criminal and juvenile dependency cases and expert witnesses are paid from the Superior Court's Fees and Compensation budget. The Superior Court has projected a budgetary shortfall through the end of Fiscal Year 1993-94 in their Fees and Compensation account based on actual expenditures from July 1, 1993 through October 31, 1993. The projected 1993-94 total for these expenditures is as follows:

	Actual Expenditures 7/1/93-10/31/93	Projected Expenditures 11/1/93-6/30/94	Total Projected Expenditures
Conflict Attorneys and Interpreters:			
Criminal Cases			
	\$1,276,639	\$2,203,901	\$3,480,540
Juvenile Dependency Cases	748,135	1,113,192	1,861,327
Conservatorship and Probable Cause Cases			
	572,879	579,848	1,152,727
Expert Witness Fees			
	464,929	692,760	1,157,689
Total	\$3,062,582	\$4,589,701	\$7,652,283

The funding available in the Superior Court's Fees and Compensation budget and the projected shortfall are as follows:

Projected 1993-94 Expenditures	\$7,652,283
1993-94 Budget Appropriation	<u>6,430,508</u>
Total Projected Budgetary Shortfall (Proposed Supplemental Appropriation)	\$1,221,775

Police Department - \$4,400,000 for Uniform Salaries and Overtime; funded from General Fund (no file number at this time)

This proposed supplemental appropriation is to fund the anticipated annual expenditures for Police Overtime salaries (\$2.4 million) and to increase appropriations for uniform salaries to the amounts needed for the remainder of 1993-94 (\$2.0 million).

The Mayor's recommended 1993-94 budget for Police Overtime was deficient by \$2.4 million in the estimation of the Budget Analyst. This underfunding was reported to the Budget Committee during the 1993-94 Budget Hearings in June, 1993. In response, the Controller established a special reserve for Police Overtime of \$2.4 million in order to fund the anticipated amount for 1993-94.

The Mayor's recommended 1993-94 budget for the Police Department eliminated 85 Uniform Police Officers. During the 1993-94 budget hearings, the Mayor's Office conferred with the Police Officers Association (POA) to determine if the POA's memorandum of understanding (MOU) with the City could be amended to achieve savings of approximately \$5.0 million in order to prevent the elimination of the 85 Police Officers.

The POA and the Mayor's Office reached an agreement that:

- Provided for three unpaid furlough days for Uniform Police Officers saving approximately \$1.5 million;
- Achieved net revenues for MUNI security services and Housing Authority security services of approximately \$1.5 million;

In addition, the Chief of the Police Department stated that early retirements would be encouraged in order to save approximately \$1.0 million. However, these savings have not been realized and the difference between the savings of \$3.0 million for furlough days (\$1.5 million) and MUNI/SFHA security services (\$1.5 million) and the \$5.0 million required for the restoration of the 85 Police Officer positions is \$2.0 million.

The proposed supplemental appropriation would therefore increase funding for Uniform Salaries by \$2.0 million in order to make up the gap between savings and revenues described above and the amount required for restoration of the 85 Police Officers.

Police Department - \$1,740,693 for Permanent Salaries and Fringe Benefits, Contractual Services and Materials and Supplies; funded from General Fund (File 101-93-50)

This proposed supplemental appropriation would increase the number of Uniformed Police Officers by 100 during the period of January through June, 1994.

Under the proposed legislation, a Police Academy class for approximately 50 recruits would begin in January, 1994. The Police Department reports that the current list for potential candidates will expire in January, and if an Academy Class is not started by that time, recruitment, background investigations and psychological examinations will have to be started over.

In addition, the proposed legislation would provide funding for 50 lateral transfers (sworn peace officers recruited from other Police Departments). Such lateral transfers would be hired in May and June, and would receive two-weeks training in SFPD methods and procedures.

With the addition of 100 Police Officers, the Police Department has also requested funding for clerical and payroll support staff.

Comment:

The Budget Analyst is currently reviewing each of these proposed supplemental appropriations and will report on each of them for the Budget Committee's December 22, 1994 meeting.

Item 32 - File 69-93-2

Department: Board of Supervisors

Item: Motion directing the Clerk of the Board to submit to the Mayor a request for a supplemental appropriation to cover the cost of Budget Analyst review of Memorandums of Understanding (MOU).

Description: The proposed motion would direct the Clerk of the Board to submit a request for a supplemental appropriation to the Mayor's Office to cover the cost for the Budget Analyst's Office to review MOUs for the remainder of fiscal year 1993-94. The Budget Analyst estimates that it will cost \$9,300 for their Office to review, analyze and report on the approximately seven remaining MOUs and amendments to MOUs that will be brought before the Board of Supervisors for review and approval during the remainder of fiscal year 1993-94.

Comments:

1. The Budget Analyst notes that there have been no staffing increases in the Budget Analyst's Office since October 2, 1979.
2. The Budget Analyst has absorbed over \$522,273 of costs by providing approximately 22 percent of additional hours, without compensation, to the Board of Supervisors during the past two years, as follows:

<u>Calendar Year</u>	<u>Hours Required</u>	<u>Hours Expended</u>	<u>Overage Hours</u>	<u>Percentage of Hours' Overage</u>	<u>Cost Absorbed by Budget Analyst (\$66.43 per hour)</u>
1992	18,255	22,377	4,122	22	\$273,825
1993 (11 months through Nov. 30)	<u>16,734</u>	<u>20,474</u>	<u>3,740</u>	<u>22</u>	<u>\$248,448</u>
Total	34,989	42,851	7,862		\$522,273

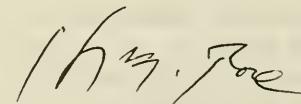
Recommendation: Approval of the proposed motion is a policy matter for the Board of Supervisors.

Memo to Budget Committee
December 15, 1993

Item 33 - File 7-93-16.4

This item is a hearing to consider the joint report by the Mayor, Controller and Budget Analyst analyzing the need for financial and operational impacts of discount fares for senior and disabled individuals, as well as possible Muni fare changes that may be necessary, including the views of the Public Utilities Commission on all proposals analyzed in the report.

Attached is a copy of the joint report issued by the Controller, Mayor and Budget Analyst on December 13, 1993. Representatives of the Public Utilities Commission report that they will attend the December 15, 1993 Budget Committee meeting to provide their views on the proposals analyzed in the joint report and to respond to other concerns of the Committee.



Harvey M. Rose

cc: Supervisor Migden
Supervisor Hsieh
President Alioto
Supervisor Bierman
Supervisor Conroy
Supervisor Hallinan
Supervisor Kaufman
Supervisor Kennedy
Supervisor Leal
Supervisor Maher
Supervisor Shelley
Clerk of the Board
Chief Administrative Officer
Controller
Teresa Serata
Robert Oakes
Ted Lakey



**Mayor's Office of Program and Fiscal Policy
Office of the Controller
Board of Supervisors Budget Analyst**

**Joint Report on the Anticipated Revenue Shortfall
for the Fiscal Year 1993-94 Municipal Railway Budget**

December 13, 1993

Honorable Carole Migden, Chair
and Members of the Budget Committee
Board of Supervisors
City Hall Room 235
San Francisco, California 94102

Dear Supervisor Migden and Members of the Budget Committee:

This joint report from the Mayor's Director of Finance, Controller, and Budget Analyst responds to your request for information on the projected revenue shortfall in the San Francisco Municipal (MUNI) Railway budget.

MUNI Revenue Shortfall of \$5.4 million

After reviewing the fare collections, based on only two months of complete data for October and November 1993, we now forecast a fare revenue shortfall of approximately \$5 million. We also project a reduction in State aid of \$400,000 for a total \$5.4 million revenue shortfall. Attachment A shows the monthly plan and actual fare revenue received for each category.

MUNI's Fiscal Year 1993/94 budget of approximately \$273 million assumes that the General Fund will contribute \$95 million, fares will raise \$102 million, and other revenues will contribute \$76 million. The final 1993/94 budget included the following two phase fare package that was projected to raise \$12.8 million.

Supervisor Migden, Chair
and Members of the Budget Committee
December 13, 1993
Page 2

Phase I, effective August 1:

- Increased the monthly Fast Pass price to \$35 from \$32;
- Increased youth, senior, and disabled discount fares to \$0.35 from \$0.25 and the monthly pass price to \$8 from \$5;
- Implemented an \$1.50 express service premium fare and a \$45 month premium pass; and
- Restructured the cable car fare by charging \$2 for a one-way trip (except for senior and disabled riders during non-peak hours).

Phase II, effective October 1:

- Eliminated the transfer system and half monthly pass and implemented the \$2.25 day pass and \$9 weekly pass.

The multiple changes to the fare structure in August and October and the tremendous interrelationship between all the categories of fares make it impossible to isolate the exact cause for the decrease in fare collection revenues. We also cannot isolate the cost or benefit of eliminating the transfer system and replacing it with the Day Pass.

We estimate that the proposed \$0.60 senior and disabled day pass will result in an annual revenue loss of \$400,000 or \$200,000 for the rest of this fiscal year if this change is made on January 1, 1994. The proposal is currently pending before the Board of Supervisors.

Supervisor Migden, Chair
and Members of the Budget Committee
December 13, 1993
Page 3

Options to Close the Gap

The following two options were discussed and analyzed to make up the projected fare revenue shortfall (see Attachment B). Please note that the options assume only a slight reduction in ridership based on previous fare increases. These options are presented to the Budget Committee for review and discussion purposes and are not proposed or sponsored by this joint report.

In Option A, we analyzed the original fare package proposed by the Public Utilities Commission and endorsed by the Mayor that would have raised fares across-the-board. If the entire proposal was implemented, including adult fares increased by \$0.25 from \$1 to \$1.25, adult monthly fast passes increased by \$2 from \$35 to \$37, and the transfer system reinstated with no day pass, we estimated that this plan could generate an additional \$500,000 a month over what's currently being collected. Assuming this fare package became effective on March 1, 1994, it would result in increasing revenue by \$2 million through the end of the fiscal year. This option would still leave a fare revenue shortfall of approximately \$3 million.

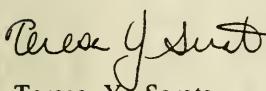
In Option B, we analyzed what actions could be taken to close the fare revenue gap completely and make the plan revenue neutral. We estimate that to close the \$5 million shortfall, various fare categories would have to be increased in price. One of the many possible combinations of fare increases is shown on Attachment B.

A major consideration for these options or any other alternative plan is the probability that a third change in the fare structure within one year could decrease ridership thereby providing no guarantee of recouping the full amount of either the \$2 million or \$5 million projections of options A and B.

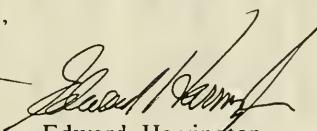
Supervisor Migden, Chair
and Members of the Budget Committee
December 13, 1993
Page 4

Our offices will continue to work closely together to keep the Budget Committee apprised of any changes in the estimated Fiscal Year 1993-94 revenue shortfall.

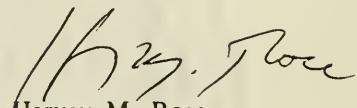
Respectfully submitted,



Teresa Y. Serata
Director of Finance



Edward Harrington
Controller



Harvey M. Rose
Budget Analyst

Attachment

cc: Members of the Board of Supervisors
Mayor Jordan
City Attorney
Chief Administrative Officer
Clerk of the Board
Anson B. Moran, Acting General Manager-PUC

1993-94 MUNI FARE TRACKING: MONTHLY FAMIS #68 ADJUSTED FOR RECEIVABLES

	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Year to Date	Annual Est.
NON-CABLE CAR CASH														
Plan	2,857,130	3,046,279	2,937,003	2,927,888	2,753,002	2,679,035	2,660,548	2,761,823	2,910,230	2,849,962	2,864,587	3,027,513	14,521,302	34,475,000
Actual	2,872,593	3,267,733	3,005,612	2,895,151	2,561,378	2,491,737	2,491,602	2,774,713	2,854,587	2,864,587	3,027,513	14,602,467		
Variance	15,463	221,454	68,609	(22,737)	(191,624)	NA	81,165	0.6%						
CABLE CAR CASH														
Plan	1,071,577	1,391,931	1,270,641	1,214,816	834,569	729,914	641,503	608,951	918,455	926,269	1,071,577	1,019,887	5,783,984	11,700,000
Actual	1,232,288	1,609,183	1,539,371	1,170,086	133,497	269,280	(21,072)	NA	NA	NA	NA	NA	531,975	
Variance	160,761	217,522	1,060,297	(49,730)	(21,072)	NA	531,975	0.0%						
	15.0%	15.6%	21.3%	7.8%	21.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.2%	
ADULT EAST PASS														
Plan	2,868,679	3,324,560	3,557,193	3,567,419	3,536,892	3,329,472	3,270,867	3,404,098	3,498,049	3,363,875	3,311,729	3,167,217	16,854,693	40,200,000
Actual	2,897,807	3,129,388	3,293,918	3,544,188	3,471,794	NA	16,337,093							
Variance	29,178	(195,172)	(263,275)	(23,231)	(65,098)	NA	(517,598)							
	1.0%	-3.9%	-7.4%	-0.7%	-1.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-3.1%	
DISCOUNT PASS														
Plan	301,832	404,467	496,744	516,177	519,652	506,835	501,148	515,658	521,076	509,849	521,237	495,315	2,238,882	5,810,000
Actual	307,540	456,502	537,062	614,955	626,474	NA	2,342,553							
Variance	5,708	52,035	40,338	98,778	106,812	NA	303,671							
	1.9%	12.9%	8.1%	19.1%	20.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	13.6%	
PREMIUM PASS														
Plan	0	0	0	36,961	37,897	35,675	35,047	36,474	37,481	36,043	35,485	33,937	74,858	375,000
Actual	0	0	0	42,979	51,059	NA	94,038							
Variance	NA	NA	NA	6,018	13,162	NA	19,180							
	NA	NA	NA	16.3%	34.7%	NA	25.6%							
REGIONAL TRANSFER														
Plan	0	0	0	320,000	0	370,000	0	0	0	340,000	0	320,000	320,000	1,150,000
Actual	0	0	0	268,120	NA	268,120								
Variance	NA	NA	NA	(51,880)	NA	(51,880)								
	NA	NA	NA	-16.2%	NA	-16.2%								
DAY/WEEK PASSES/ETC														
Plan	0	0	0	748,715	748,715	748,715	748,715	748,715	748,715	748,715	748,715	1,497,431	6,738,438	
Actual	0	0	0	238,885	250,867	NA	0	0	0	0	0	0	489,752	
Variance	NA	NA	NA	(509,830)	(497,848)	NA	(1,007,679)							
	NA	NA	NA	-48.1%	-46.5%	NA	-67.3%							
TOTAL														
Plan	7,099,118	8,167,237	8,261,381	9,331,976	8,430,737	8,229,646	8,227,828	8,075,719	8,634,006	8,774,713	8,553,290	8,812,584	41,790,650	106,598,438
Actual	7,310,228	8,462,806	8,376,533	8,724,364	7,775,059	0	0	0	0	0	0	0	40,649,000	
Variance	211,110	295,569	114,952	(607,612)	(655,689)	NA	(641,650)							
	3.0%	3.6%	1.9%	-6.5%	-7.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-1.6%	

Notes: For now this report excludes #6,738,438 budgeted from replacement of transfers with day/week passes and additional use of tokens.
 Passports were reported in Non-CC Cash in FY 1992-93 and are now in CC Cash.
 Also, Discount passes combine Senior and Youth passes reported separately in FY 1992-93.

Attachment B**MUNI Fare Structure Scenarios**

Fare Category	Existing Structure	Option A	Option B
Adult Cash	\$1.00	\$1.25	\$1.35
Adult Token	\$0.80	\$1.10	\$1.20
Adult Pass	\$35.00	\$37.00	\$40.00
Senior and Disabled Cash	\$0.35	\$0.35	\$0.40
Senior and Disabled Pass	\$8.00	\$8.00	\$9.00
Youth Cash	\$0.35	\$0.35	\$0.40
Youth Pass	\$8.00	\$8.00	\$9.00
Cable Car Cash	\$2.00	\$2.00	\$2.00
Premium Fare	\$1.50	\$1.50	\$1.50
Premium Pass	\$45.00	\$47.00	\$47.00
Day Pass	\$2.25	NA	NA
Weekly Pass	\$9.00	\$10.00	\$11.00
Estimated Fare Revenue Deficit	(\$5 Million)	(\$3 Million)	0

The estimated deficit total does not address the projected reduction of \$400,000 in State aid and only assumes a slight change in ridership.

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12/22/93

DOCUMENTS DEPT.

MINUTES
BUDGET COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

AUG 27 1996

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WEDNESDAY, DECEMBER 22, 1993 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS MIGDEN, HSIEH, ALIOTO

ABSENT: SUPERVISOR ALIOTO - ITEM 1

CLERK: KAY GULBENGAY

TIME MEETING CONVENED: 2:15 p.m.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Budget Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item..

(a) File 94-91-4.9. [Release of Funds] Requesting release of reserved funds, Public Utilities Commission, in the amount of \$350,000, for continuing the implementation of the Trolley Bus Purchase Project. (Public Utilities Commission)
(Continued from 8/25/93)

ACTION: Hearing held. Release of \$350,000 approved. Filed.

(b) File 94-91-8.3. [Release of Funds] Requesting release of reserved funds, Public Utilities Commission, in the amount of \$2,050,000, for continuing the implementation of the Trolley Bus Purchase Project. (Public Utilities Commission)
(Continued from 11/10/93)

ACTION: Hearing held. Release of \$1,965,000 approved. Filed.

(c) File 94-91-8.5. Requesting release of reserved funds, Public Utilities Commission, in the amount of \$613,000, for the Municipal Railway Cable Car Rehabilitation Project. (Public Utilities Commission)

ACTION: Hearing held. Release of \$613,000 approved. Filed.

(d) File 79-93-2.1. Requesting release of reserved funds, Mayor's Office of Housing, 1994 Community Development Block Grant, in the amount of \$71,458, for increasing funding for the Housing Conservation and Development Corporation. (Mayor's Office of Housing)

ACTION: Hearing held. Release of \$71,458 approved. Filed.

(e) File 101-90- 1.5. Requesting release of reserved funds, Department of Public Works, in the amount of \$116,774, for Marina Green West End Restrooms, Earthquake Safety Program Phase II. (Department of Public Works)

ACTION: Hearing held. Release of \$116,774 approved. Filed.

(f) File 101-92-3.1. Requesting release of reserved funds, Department of Public Works, in the amount of \$1,162,864, for Fire Station No. 40 Renovation Project, Earthquake Safety Program Phase I. (Department of Public Works)

ACTION: Hearing held. Release of \$1,162,864 approved. Filed.

2. File 7-93-16.4. [Muni Discount Fares For Seniors And Disabled] Hearing to consider joint report by the Budget Analyst Controller and Mayor, analyzing the need for, financial and operational impacts of discount fares for senior and disabled individuals, as well as other possible Muni fare changes that may be necessary, including the views of the Public Utilities Commission on all proposals analyzed in the report. (Supervisor Migden, Alioto) SPEAKERS: PHILLIP SERONICK, BILL PRICE, EULA WALTERS, BOB PLANTHOLD, CLAY RONI, JACK GELMAN, B. ELIAS BAKER, ROBERT PINDER, NORMAN ROLFE, JOHN BARRY, GERALDINE EARP

ACTION: Hearing held. Motion prepared in and reported out of committee entitled: "Directing the Controller to place in a reserved fund the amount of \$6,000,000 of City General Funds to be considered for possible use to assist the Municipal Railway in meeting its budgetary needs for fiscal year 1993-1994."

Recommended. (Report of Municipal Railway Deficit Proposal to be presented to Board on Monday, January 3, 1994.)

3. File 101-93-46. [Appropriation, District Attorney] Ordinance appropriating \$1,000,000, District Attorney, for permanent salaries and mandatory fringe benefits for the Misdemeanor Unit, funded from the General Fund Reserve. (Controller)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as sponsor.)
SPEAKER: Bridget Baine, District Attorney's Office

4. File 101-93-50 [Appropriation, Police Department] Ordinance appropriating \$1,740,693, Police Department, for permanent salaries, related fringe benefits, contractual services and materials and supplies for the creation of three positions for Fiscal Year 1993-94, subject of previous budgetary denial, for additional police services and three support staff; funded from General Fund Reserve; companion measure to File 102-93-16. RO #93178 (Controller)

SPEAKERS: Deputy Chief Frank Reed, SFPD,

ACTION: Hearing held. Amended on page 1 lines 1 (in title) and 24 by replacing "1,740,799" with "\$1,677,799"; and by deleting lines 21 and 22.

New Title: "Appropriating \$1,677,799, Police Department, for permanent salaries, related fringe benefits, contractual services and materials and supplies for the creation of three positions for Fiscal Year 1993-94, subject of previous budgetary denial, for additional police services and three support staff; funded from General Fund Reserve."

Recommended as amended. (Supervisor Alioto added as sponsor.)

SPEAKERS: Frank Reed, Deputy Chief, SFPD, Supervisor Bill Maher
Ken Bruce, Budget Analyst's Office

5. File 102-93-16. [Police Employment, Add Three Positions] Ordinance amending Ordinance No. 242-93 (Annual Salary Ordinance, 1993-94) reflecting the addition of three positions in the Police Commission Department; companion measure to File 101-93-50. (Civil Service Commission)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as sponsor.)
SPEAKERS: See Item 4

6. File 101-93-56. [Appropriation/ Police Department] Ordinance appropriating \$4,400,000, Police Department, for permanent salaries and overtime, subject of previous budgetary denial; additional funding for uniform salaries and overtime; funded from Controller's Overtime Reserve (\$2.4 million) and General Reserve (\$2.0 million) RO #93179 (Controller)

ACTION: Hearing held. Continued to January 5, 1994 meeting.

SPEAKERS: See Item 4

7. File 101-93-52 [Appropriation] Ordinance appropriating \$500,000, for fees and other compensation for Public Defender and Superior Court for Fiscal Year 1993-94, for capital defense costs; subject of previous budgetary denial; funded from General Fund Reserve. RO #93161 (Controller)

ACTION: Hearing held. Recommended. (Supervisor Alioto added as sponsor.)
SPEAKERS: Peter Keane, Public Defender's Office, Alan Carlson, Superior Court

8. File 101-93-65. [Appropriation, Indigent Defense Costs] Ordinance appropriating \$1,221,775, Superior Court for fees and other compensations, for Indigent Defense Costs; funded from the General Fund Reserve. RO #93162 (Controller)

ACTION: Hearing held. Recommended.

SPEAKERS: See Item 7

9. File 101-93-23. [Government Funding] Ordinance appropriating \$200,000, Department of Recreation and Park, for permanent salaries-miscellaneous. RO #93076 (Controller)
(Continued from 12/15/93)

ACTION: Hearing held. Recommended.
SPEAKERS: Ken Bruce, Budget Analyst Office

10. File 101-93-43. [Appropriation, Recreation & Park] Ordinance appropriating \$200,000, Recreation and Park Department, for permanent salaries-miscellaneous, for the Zoo Partnership Agreement; funded from the General Fund Reserve. RO #93169 (Controller)

(Continued from 12/15/93)

SPEAKERS: See Item 9

ACTION: Hearing held. Amended on page 1 lines 1, (in title) 19, 20, and 22 by replacing "\$200,000" with "\$189,503."

New Title: "Appropriating \$189,503, Recreation and Park Department, for permanent salaries-miscellaneous, for the Zoo Partnership Agreement; funded from the General Fund Reserve."

Recommended as amended.

11. File 101-93-38. [Appropriation] Ordinance appropriating \$101,859, for services of other departments (Police Security Services) for the Treasurer/Tax Collector and appropriating \$101,859 for overtime for the Police Department for Fiscal Year 1993-94; funded from interest earnings; providing for ratification of action previously taken. RO #93145 (Controller) SPEAKERS: FRANK MARTINEZ, LOCAL 790, MARY JORDAN, RON JACKSON, BILL LLOYD, LOCAL 790

ACTION: Hearing held. Continued to January 5, 1994 meeting.

12. File 101-93-64. [Appropriation, New Jobs Tax Credit Program] Ordinance appropriating \$120,847, Treasurer/Tax Collector for permanent salaries, mandatory fringe benefits, materials and supplies, equipment and services of other departments for the creation of four positions for New Jobs Tax Credit Program; companion measure to File 102-93-15. RO #93171 (Controller)

ACTION: Hearing held. Tabled.

*** SPEAKERS: RICHARD SULLIVAN, TAX COLLECTOR'S, TERESA SERATA, MAYOR'S OFFICE
13. File 101-93-66. [Appropriation, Tax Collector Enhancements] Ordinance appropriating \$112,908, Treasurer/Tax Collector for permanent salaries, mandatory fringe benefits and equipment for the creation of two positions for tax collector enhancements; funded from Board Reserve; companion measure to File 102-93-15. RO #93173 (Controller)

(Continued from 12/22/93)

ACTION: Hearing held. Recommended by a vote of 2 to 1 Supervisor Alioto dissented.

14. File 102-93-15. [Public Employment, Add Six Positions] Ordinance amending Ordinance No. 242-93 (Annual Salary Ordinance, 1993-94) reflecting the addition of six positions in the Treasurer/Tax Collector Department; companion measure to Files 101-93-64 and 101-93-66. (Civil Service Commission)

(Continued from 12/22/93)

ACTION: Hearing held. Amended on page 1 line 2 by replacing "six positions" with "two positions"; and by deleting lines 15-18.

New Title: "Amending Ordinance No. 242-93 (Annual Salary Ordinance, 1993-94) reflecting the addition of two positions in the Treasurer/Tax Collector Department".

Recommended as amended by a vote of 2 to 1 Supervisor Alioto dissented.

SPEAKERS: See Item 13

15. File 101-93-40.1. [Appropriation, Department of Public Health] Ordinance Appropriating \$2,202,704, Department of Public Health, in Medi-Cal revenues and \$2,204,704 to a reserve for health care - MIS for San Francisco General Hospital, funded from SB 855 disproportionate share payment program revenues. (Supervisor Alioto)

(Continued from 12/15/93)

SPEAKERS: Ken Bruce, Budget Analyst, Richard Cordova, SFCH

ACTION: Hearing held. Recommended.

***CONTINUATION OF SPEAKERS FOR ITEM 12,13, 14

SPEAKERS: Ivan Munson, Gail Goldman, Ed Marsullo, Nancy Kitz, Joe Braverman, Linda Mjellam (Teresa Serata read letter from Ms. Mjellam) Representative of Chamber of Commerce

16. File 101-93-63.1. [Appropriation, General Assistance] Finance appropriating \$100,000, Department of Social Services, to implement Fingerprinting Program; subject of previous budgetary denial; funded from General Fund Reserve. (Controller) (Continued from 12/15/93)

ACTION: Hearing held. Recommended by a vote of 2 to 1 Supervisor Alioto dissented.

SPEAKERS: Brian Cahill, Department of Social Services, Joe Braverman

17. File 101-93-35. [Capital Improvement Project/DPW] Ordinance appropriating and certifying \$170,341, Department of Public Works, for capital improvement project to cover ten percent overage as per Charter Section 7.203; providing for ratification of action previously taken. (Controller)

ACTION: Hearing held. Recommended.

18. File 100-93-16. [Children's Fund, Youth Health Programs] Hearing to consider the disposition of \$1.6 million of the 1993-1994 Children's Fund that were appropriated by the board of Supervisors for youth health programs operated by the Department of Public Health. (Supervisor Migden)

ACTION: Hearing held. Filed.

19. File 101-93-2.3. [Annual Appropriation Ordinance] Ordinance amending Ordinance 298-93 (Annual Appropriation Ordinance) by adding Section 10.5 relating to adjustment of fringe benefits rates and appropriations thereof. (Supervisor Migden)

ACTION: Hearing held. Recommended.

20. File 101-93-2.4. [Amend Annual Appropriation Ordinance] Ordinance amending Ordinance 298-93 (Annual Appropriation Ordinance) by adding Section 10.6 relating to allocation and use of local public safety revenues and expenditures. (Supervisor Migden)

ACTION: Hearing held. Recommended.

21. File 100-93-18. [Police Force Budget] Resolution urging the Mayor to urge the Police Chief and the Police Commission to prepare a budget for the Police Department that increases the police force to 1,971 full duty sworn officers pursuant to the consent decree agreed to by the City and County of San Francisco and authorized by the Federal District Court of Northern California. (Supervisor Alioto)

ACTION: Hearing held. Amended on page 1 line 7 (in title) after "California" by adding "; and urging the Mayor to finance the increased number of sworn officers with new revenues"; and on page 2 line 6 by adding "FURTHER RESOLVED, That the Board of Supervisors further urges the Mayor to finance the increased number of sworn officers with new revenues to the City and County of San Francisco."

New Title: "Urging the Mayor to urge the Police Chief and the Police Commission to prepare a budget for the Police Department that increases the police force to 1,971 full duty sworn officers pursuant to the consent decree agreed to by the City and County of San Francisco and authorized by the Federal District Court of Northern California; and urging the Mayor to finance the increased number of sworn officers with new revenues."

Recommended as amended.

SPEAKERS: Deputy Chief Frank Reed, SFPD, Supervisor Anne Marie Conroy, Supervisor Bill Maher, Ted Lakey, Deputy City Attorney, Ken Bruce Al Triguero, Pres. POA Sgt. Steve Johnson, SFPD

22. File 207-93-22. [Police Department, Mandatory Time Off] Resolution urging the Mayor to eliminate the policy of mandatory time off for police officers. (Supervisor Maher)

ACTION: Hearing held. Amendment of the whole (as presented by Supervisor Maher) adopted. Amended on page 1 line (2) in title after "to" by replacing "eliminate the Policy" with "require only sixteen hours"; and on line 3 after "for" by inserting "each"; and on page 2 line 5 after "to" by deleting "immediately end the policy" and inserting "require only sixteen hours"; and after "for" by inserting "each"; and on line 6 after "officers" by inserting "during fiscal year 1993-1994."
New Title: "Urging the Mayor to require only sixteen hours of mandatory time off each for Police Officers."

Recommended as amended.

SPEAKERS: SEE ITEMS 4,5,6,21 and 22

23. File 13-93-46. [Walden House Application for Grant, Youthbuild] Resolution supporting Walden House in its application for a Department of Housing and Urban Development Grant entitled Youthbuild. (Supervisor Alioto)

ACTION: Hearing held. Recommended.

24. File 121-92-11. [Protection of Public Health and Safety in Taxicab Service] Ordinance amending Chapter VIII, Part II of the San Francisco Municipal Code (Police Code) by adding Sections 1147 through 1147.6 requiring training for taxicab drivers, installation of safety equipment in taxicabs, and compliance with California Workers' Compensation Statutes and regulations. (Supervisors Shelley, Alioto, Hallinan, Migden, Bierman)

11/23/1993 – Recommended and transferred from Health, Public Safety and Environment Committee – Fiscal Impact

Present: Supervisors Shelley, Hallinan, Leal

ACTION: Hearing held. Continued to January 19, 1994 meeting.

TIME MEETING ADJOURNED: 5:10 p.m.

CITY AND COUNTY

OF SAN FRANCISCO



BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

December 22, 1993

TO: Budget Committee**FROM:** Budget Analyst**SUBJECT:** December 22, 1993 Budget Committee MeetingItem 1a - File 94-91-4.9

Note: This item was continued from the August 25, 1993 Budget Committee meeting.

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Request for release of reserved funds for the Trolley Bus Project for a professional services contract.

Amount: \$350,000

Source of Funds:	Federal Section 9 Capital Assistance	\$13,815,120
	Local Match *	3,453,780
	Total	\$17,268,900

* Local Match resources include: State Transit Capital Improvement funds, State Urban Rail Bond funds, State Clean Air and Transportation Improvement Act Bond funds, State Transit Assistance funds, State Transportation Development Act, Bridge Toll Net Revenues, Gas Tax Revenues, Hetch Hetchy funds, Transit Impact Development Fee Revenues, Gas Tax Revenues, Hetch Hetchy funds, Transit Impact Development Fee Revenues, San Francisco Municipal Railway Improvement Corporation funds, and/or the San Francisco County Sales Tax Revenues.

Description: The Board of Supervisors previously approved legislation (File 94-91-4) authorizing the Public Utilities Commission to apply for, accept, and expend Federal Section 9 Capital Assistance funds in the amount of \$13,815,120 plus \$3,453,780 in required State and/or local match funds, for a total of \$17,268,900 for eight Municipal Railway Projects. Of the \$17,268,900, a total of \$13,982,500 was placed on reserve for contractual services, equipment, and data processing. Of the \$13,982,500, \$476,190 was specifically reserved for in-house design support and a professional services contract for the Trolley Bus Project. Of the \$476,190, \$126,190 was previously released to fund in-house design support, leaving a balance of \$350,000 for the professional services contract.

The PUC is now requesting that \$350,000 be released from reserve to be used by the PUC to pay for the professional services contract in connection with the Trolley Bus Project. The Trolley Bus Project provides for the phased replacement of the entire 345 trolley coach fleet. The first phase includes the purchase of 60 articulated (60 foot) trolleys which are currently being delivered. This request supports the second phase of the project, which includes the purchase of 30 articulated trolleys and 100 standard (40 foot) trolleys.

The PUC advises that it selected Booz-Allen Hamilton Inc., through its Request for Proposal (RFP) process, as the most qualified firm, to provide the necessary professional services which would consist of the development of trolley bus engineering specifications, test and inspection activities and the development of trolley bus specifications for purposes of procurement. The PUC advises that although specifications were previously developed for the purchase of the 60 articulated trolleys noted above, additional specifications are required for the planned purchase of the 100 standard trolleys. Additionally, according to the PUC, refined specifications for the purchase of the additional 30 articulated trolleys are required to address state-of-the-art changes which have occurred since the purchase of the original 60 articulated trolleys.

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The three firms which responded to the RFP were as follows:

<u>Name of Firm</u>	<u>Bid Amount</u>	<u>MBE/WBE</u>
Booz-Allen Hamilton PGH Wong Engineering	\$286,399*	No
ACEX Technologies	\$340,460* \$280,855*	MBE MBE

* Ms. Gail Bloom of the PUC reports that these bid amounts were based on a not-to-exceed amount of \$350,000 for the first phase of the total scope of services to be provided under the professional services contract. Ms. Bloom advises that based on the review of the proposals submitted by the bidders for the first phase of the total scope of services together with a follow-up interview with each of the bidders, the PUC selected Booz-Allen Hamilton as the most qualified firm to provide the necessary services. According to Ms. Bloom, subsequent to being selected, Booz-Allen submitted a bid amount of \$1,207,000 for the total scope of services to be provided under the contract.

As noted above, the total amount of the professional services contract with Booz-Allen Hamilton Inc. is \$1,207,000 or \$857,000 more than the \$350,000, which is the subject of this request. According to the PUC, the \$857,000 will be paid for by Federal Section 9 Operating and Capital Assistance funds and local matching funds, which are on reserve. These monies are included in the request for release of reserve funds in the amount of \$2,050,000 (See Item 1b, File 94-91-8.3 of this report). The PUC advises that Booz-Allen Hamilton Inc., which is neither an MBE or a WBE, would utilize MBE/WBE subcontractors totaling \$482,728 or 40 percent of the total contract amount of \$1,207,000.

The requested \$350,000 would be expended as follows:

Professional Services Contract:

Prime Contractor, Booz-Allen Hamilton, Inc.

Responsible for the supervision of the subcontractors and for assisting in finalizing the trolley bus specifications and the specifications for purposes of the procurement of the trolley buses.

\$210,008

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Subcontractors, MBE

<u>Gilbert and Associates</u> , Inspection and Testing Support.	\$61,283
<u>Cornerstone Concilium, Inc.</u> Assist in engineering specification development, documentation control, and management support.	29,211
<u>J Y Marketing</u> , Word Processing support, documentation, and presentation development for Cornerstone Concilium, Inc.	<u>14,500</u>
Subtotal	104,994

Subcontractors, WBE

<u>Transit Performance Engineering</u> Assist in specification development, engineering support, testing and inspection.	<u>34,998</u>
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Total	\$350,000
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Comments:

1. The total Trolley Bus Project cost is approximately \$320 million. The second phase of the Project will cost approximately \$92 million and includes (1) the development of trolley bus engineering specifications, test and inspection activities and the development of trolley bus specifications for purposes of procurement (to be provided by Booz-Allen Hamilton), (2) in-house design (provided by MUNI), and (3) warranty support for 30 articulated trolleys and up to 100 standard trolleys and spare parts.
2. The \$320 million includes \$256,250,000 for the acquisition of 225 articulated buses at an average current cost of \$850,000 and 100 standard buses at an average current cost of \$650,000. The balance of \$63,750,000 (\$320 million less \$256,250,000) is budgeted for anticipated escalation costs and potential financing charges which may occur over the next ten years as the entire trolley coach fleet is replaced.

Recommendation: Approve the requested release of reserve.

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Item 1b - File 94-91-8.3

Note: This item was continued from the November 10, 1993 Budget Committee meeting.

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Request for release of reserved funds for the Trolley Bus Project for outside contracts.

Amount: \$2,050,000

Source of Funds:	Federal Section 9 Operating Assistance	\$7,532,454
	Federal Section 9 Capital Assistance	26,819,276
	Local Match *	6,704,819
	Total	\$41,056,549

* Local Match resources include: State Transit Capital Improvement funds, State Urban Rail Bond funds, State Clean Air and Transportation Improvement Act Bond funds, State Transit Assistance funds, State Transportation Development Act, Bridge Toll Net Revenues, Gas Tax Revenues, Hetch Hetchy funds, Transit Impact Development Fee Revenues, Gas Tax Revenues, Hetch Hetchy funds, Transit Impact Development Fee Revenues, San Francisco Municipal Railway Improvement Corporation funds, and/or the San Francisco County Sales Tax Revenues.

Description: The Board of Supervisors previously approved a Resolution No. 3-92 (File 94-91-8) authorizing the Public Utilities Commission to apply for, accept, and expend Federal Section 9 Operating Assistance funds in the amount of \$7,532,454, Federal Section 9 Capital Assistance funds in the amount of \$26,819,276, plus \$6,704,819 in required State and/or local match funds, for a total of \$41,056,549 for four Municipal Railway Projects. Of the \$41,056,549, a total of \$33,524,095 was placed on reserve for outside contracts, pending a detailed project budget and contract details. Of the \$33,524,095, \$23,546,095 was specifically reserved for outside contracts and in-house design support for the Trolley Bus Project.

The PUC is now requesting that \$2,050,000 be released from the \$23,546,095 in reserved funds to be used to pay for the professional services contract (\$857,000) and for a portion of in-house work to be performed by MUNI staff (\$1,193,000) for the Trolley Bus Project. The Trolley Bus Project provides for the phased replacement of the entire 345 trolley coach fleet.

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The first phase includes the purchase of 60 articulated (60 foot) trolleys which are currently being delivered. This request supports the second phase of the project purchase of 30 articulated trolleys and 100 (40 foot) standard trolleys.

PUC advises that it selected Booz-Allen Hamilton, Inc., through its Request for Proposal (RFP) process, as the most qualified firm, to provide the necessary professional services which would consist of the development of trolley bus engineering specifications, test and inspection activities and the development of trolley bus specifications for purposes of procurement. The PUC advises that although specifications were developed for the purchase of the 60 articulated trolleys noted above, additional specifications are required for the planned purchase of the 100 standard trolleys. Additionally, according to the PUC refined specifications for the purchase of the additional 30 articulated trolleys are required to address state-of-the-art changes which have occurred since the purchase of the original 60 articulated trolleys.

The firms which responded to the RFP were as follows:

<u>Name of Firm</u>	<u>Bid Amount</u>	<u>MBE/WBE</u>
Booz-Allen Hamilton	\$286,399*	No
PGH Wong Engineering	\$340,460*	MBE
ACEX Technologies	\$280,855*	MBE

* Ms. Gail Bloom of the PUC reports that these bid amounts were based on a not-to-exceed amount of \$350,000 for the first phase of the total scope of services to be provided under the professional services contract. Ms. Bloom advises that based on the review of the proposals submitted by the bidders for the first phase of the total scope of services, together with a follow-up interview with each of the bidders, the PUC selected Booz-Allen Hamilton as the most qualified firm to provide the necessary services. According to Ms. Bloom, subsequent to being selected, Booz-Allen submitted a bid amount of \$1,207,000 for the total scope of services to be provided under the contract.

As noted above, the total amount of the professional services contract with Booz-Allen Hamilton is \$1,207,000 or \$350,000 more than the \$857,000 earmarked in this request for professional contract services. According to the PUC, the \$350,000 will be paid for by Federal Section 9 Capital

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Assistance funds and local matching funds, which are on reserve (See Item 1a, File 94-914.9 of this report). The PUC advises that Booz-Allen Hamilton, Inc., which is neither an MBE or a WBE, would utilize MBE/WBE subcontractors totaling \$482,728 or 40 percent of the total contract amount of \$1,207,000. The \$857,000 earmarked for the professional services contract would be expended as follows:

Professional Services Contract:

Prime Contractor, Booz-Allen Hamilton Inc.

Responsible for the supervision of the subcontractors and for assisting in finalizing the trolley bus specifications and the specifications for purposes of the procurement of the trolley buses \$514,264

Subcontractors, MBE

Gilbert and Associates, Inspection and

Testing Support \$150,035

Cornerstone Concilium Inc., Assists

in engineering specification development, documentation control, and management support 71,517

J Y Marketing Services, Word Proces-

sing support, documentation and presentation development for Cornerstone Concilium, Inc. 35,500

Subtotal 257,052

Subcontractors, WBE

Transit Performance Engineering,

Assist in specification development, engineering support, testing and inspection 85,684

Subtotal Professional Services Contract

\$857,000

The PUC reports that MUNI staff will perform the following tasks in connection with the articulated and standard trolley buses: clean, service and test power unit and controls, perform safety inspection, road test the perform diagnostic check of unit and controls, install farebox, install radio and other equipment. The PUC advises that the total estimated cost for MUNI to perform this work is \$2,044,658 or \$851,658 more than the \$1,193,000 earmarked for that purpose under this request. The PUC reports that of the additional \$851,658 needed to complete this project, \$126,190 is currently available and the balance of \$725,468 is currently on reserve.

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The requested \$1,193,000 for the articulated and standard trolleys would be expended as follows:

Articulated Trolleys

Project Management

Project Manager (48 months x 0.50 time x \$7,354 per/mo)	\$176,496
Electrical Engineer (48 months x 0.50 time x \$5,786 per/mo)	138,864
Administrative Engineer (48 months x 0.40 time x \$6,225 per/mo)	119,520
Total Salaries	\$434,880
Fringe Benefits (26 %)	112,994
Total Personnel	\$547,874

Acceptance Testing

Testing, inspection, diagnostic work, cleaning
coaches 96,030*

Revenue Service Preparation

Equipment installation, general cleaning 17,400*

Travel, to production facilities to do on-site inspection of design and production of trolleys

and to receive training on the new trolleys 85,000
Subtotal - Articulated Trolleys \$746,304

Standard Trolleys

Project Management

Project Manager (48 months x 0.50 time x \$7,354 per/mo)	\$176,496
Electrical Engineer (48 months x 0.50 time x \$5,786 per/mo)	138,864
Administrative Engineer (48 months x 0.40 x \$6,225 per/mo)	119,520
	Total Salaries
Fringe Benefits (2.7 %)	\$434,880
	11.816

Subtotal - Standard Trolleys \$446,696

Total - Articulated and Standard Trolleys

Grand Total

\$2,050,000

* See Attachment for cost detail.

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Comments:

1. As of the writing of this report, the PUC cannot fully explain the need for \$85,000 for travel expenses. Therefore, the Budget Analyst recommends that \$85,000 of the requested release of reserve continue to be held on reserve, pending the availability of additional information.
2. The total Trolley Bus Project cost is approximately \$320 million. The second phase of the Project will cost approximately \$92 million and includes (1) the development of trolley bus engineering specifications, test and inspection activities and the development of trolley bus specifications for purposes of procurement (to be provided by Booz-Allen Hamilton, Inc.), (2) in-house design, engineering and testing (provided by MUNI) and (3) warranty support for 30 articulated trolleys and up to 100 standard trolleys and spare parts.
2. The \$320 million includes \$256,250,000 for the acquisition of 225 articulated buses at an average current cost of \$850,000 and 100 standard buses at an average current cost of \$650,000. The balance of \$63,750,000 (\$320 million less \$256,250,000) is budgeted for anticipated escalation costs and potential financing charges which may occur over the next ten years as the entire trolley coach fleet is replaced.

Recommendation: Approve the release of \$1,965,000 of the requested \$2,050,000 on reserve. Continue to reserve \$85,000.

**ARTICULATED TROLLEY COACH PURCHASE
BUDGET JUSTIFICATION
(30 Coaches)**

(1) Acceptance Testing - The following activities will be required for testing the prototype and then on each trolley coach. The logistics of each coach moving to different work stations for each sub task and utilizing specialized skills within the Muni dictates this work be done as Force Account.

<u>Class</u>	<u>Activity</u>	<u>Hrs Per Coach</u>	<u>Hourly Direct Cost</u>	<u>Amount</u>	<u>Cost Per Coach (x1.55) W/Fringe & Indirect</u>
7409	Clean Coach	8	19.00	152	
7379	Service & Test Power Unit and Controls	8	21.95	176	
7380	Safety Inspect Acceptance	10	25.93	259	
	Operator/Road Test	60	20.00	1200	
7214	Diagnostic Check of Power Unit & Controls	8	34.73	278	
				TOTAL	2,065
					3.201

SUB TOTAL COST - \$3,201 x 30 Coaches = \$96,030

(2) Revenue Service Preparation - The following activities will be required for on each trolley coach after the acceptance test, to prepare them for revenue service. The logistics of each coach moving to different work stations for each sub task and utilizing specialized skills within the Muni dictates this work be done as Force Account.

<u>Class</u>	<u>Activity</u>	<u>Hrs Per Coach</u>	<u>Hourly Direct Cost</u>	<u>Amount</u>	<u>Cost Per Coach (x1.55) W/Fringe & Indirect</u>
7318	Install farebox	4	28.59	114	
7328	Install Radio & Automatic Veh. Locator Equip.	6	30.74	184	
7409	Gen. cleaning	4	19.00	76	
				TOTAL	374
					580
				Sub Total Cost	580 x 30 =
					\$17,400
				10	

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Item 1c - File 94-91-8.5

Department: Public Utilities Commission (PUC),
Municipal Railway (MUNI)

Item: Request for release of reserved funds for the MUNI Cable Car Rehabilitation Project.

Amount: \$613,000

Source of Funds:	Federal Section 9 Operating Assistance	\$7,532,454
	Federal Section 9 Capital Assistance	26,819,276
	Local Match*	<u>6,704,819</u>
	Total	\$41,056,549

* Local Match resources include: State Transit Capital Improvement funds, State Urban Rail Bond funds, State Clean Air and Transportation Improvement Act Bond funds, State Transit Assistance funds, State Transportation Development Act, Bridge Toll Net Revenues, Gas Tax Revenues, Hetch Hetchy funds, Transit Impact Development Fee Revenues, San Francisco Municipal Railway Improvement Corporation funds, and/or the San Francisco County Sales Tax Revenues.

Description: The Board of Supervisors previously approved legislation authorizing the PUC to apply for, accept and expend \$7,532,454 in Federal Section 9 Operating Assistance funds, \$26,819,276 in Federal Section 9 Capital Assistance funds and \$6,704,819 in local match funds, for a total of \$41,056,549 (File 94-91-8). Of the \$41,056,549, a total of \$33,524,095 was placed on reserve pending the selection of contractors, and contract cost details. Of the \$33,524,095, \$613,000 was specifically reserved for the MUNI Cable Car Rehabilitation Project.

The PUC is now requesting that \$613,000 be released from reserve to be used by the PUC to pay for engineering services and renovation work in connection with the MUNI Cable Car Rehabilitation Project. This Project is an on-going capital improvement program to rehabilitate the MUNI's historic cable car fleet, consisting of 38 cable cars, through a major rebuilding of approximately two cable cars per year.

The PUC advises that subsequent to the \$613,000 being placed on reserve for contract services, the MUNI made the decision to have the necessary engineering services and renovation work done in-house by MUNI staff. MUNI's estimated cost to provide the engineering services and renovation work, is as follows:

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<u>Engineering Services</u>	<u>FTE</u>	<u>Amount</u>
Civil Engineer Associate I	0.50	\$37,239
<u>Renovation Work</u>		
Blacksmith	0.24	17,301
Car/Auto Painter	0.26	20,396
General Utility Mechanic	0.92	75,914
Maintenance Machinist	0.24	19,492
Carpenter	3.40	290,609
Pattern Maker	0.26	23,717
Welder	0.10	8,237
Maintenance Machinist Helper	0.17	10,172
Carpenter Supervisor I	0.26	27,844
Maintenance Machinist Supervisor	0.14	15,064
Electrical Transit Mechanic		
Assistant Supervisor	0.06	<u>5.511</u>
Subtotal	6.55	\$551,496*
<u>Materials</u>		
Total		<u>61.000</u>
		\$612,496

* The \$551,496 includes mandatory fringe benefits.

Comment: As noted above, the MUNI's total estimated budget for the necessary engineering and renovation work for the MUNI Cable Car Rehabilitation Project is \$612,496 or \$504 less than the \$613,000 amount requested for release from reserve.

Recommendation: Release \$612,496 from reserve and continue to reserve \$504.

Memo to Budget Committee
December 22, 1993

Item 1d -File 79-93-2.1

Department: Mayor's Office of Housing (MOH)

Item: Release of reserved funds for the nonprofit agency Housing Conservation and Development Corporation (HCDC) to provide housing related activities.

Amount: \$71,458

Source of Funds: 1994 Community Development Block Grant (CDBG) Program

Description: In approving the City's 1994 Community Development Block Grant (CDBG) Program on November 22, 1993, the Board of Supervisors reserved \$71,458 in funding for transferred duties and responsibilities from the Mayor's Office of Housing (MOH) to the Housing Conservation and Development Corporation (HCDC). The \$71,458 was to be reserved until the MOH had provided either (1) a justification that a comparable reduction in MOH staff costs would be made to offset the transfer of such responsibilities to HCDC or (2) a description of the additional work that MOH is required to do in order to offset the transferred duties and responsibilities to HCDC.

The \$71,458 would increase HCDC annual funding from \$190,000 in 1993 to \$261,458 in 1994. These additional funds are to be used for housing services that are currently the responsibility of the MOH. MOH advises that the transfer of these housing duties and responsibilities from MOH to HCDC should result in more timely loan approvals, a better loan disbursement process and improved construction monitoring process. MOH advises that it is expected that the increased services to be provided by HCDC will increase the total number of CDBG Community Housing Rehabilitation Program (CHRP) loans by 19 from a total of 15 in 1993 to 34 in 1994.

MOH has advised that their staff duties and responsibilities will be increased in five specific areas to offset the transferred duties and responsibilities to HCDC, as follows:

- Transfer the administration of the City-wide tax increment housing program from the San Francisco Redevelopment Agency (SFRA) effective July 1, 1993. As an offset to this transfer, the SFRA has not replaced its former chief of housing production and has reduced its housing production staff by two Development Specialist positions (see Comment 4);

- Transfer the administration of the Midtown Park Apartments from the Real Estate Department with the goal, if feasible, of converting the development to low-income home ownership (see Comment 5);
- Provide additional time to the administration of Federal HOME grant funds which have increased by \$5.2 million in the last annual funding grant (see Comment 6);
- Establish a City-wide program for assisting board and care facilities using available CHRP funds included in the CDBG Program (see Comment 7); and
- Assist the San Francisco Housing Authority in proposals for reconstruction and home ownership conversion of various public housing projects, including Hayes Valley, Alemany, Westbrook and North Beach.

Comments:

1. MOH advises that the five additional responsibilities required of MOH staff is estimated to cost \$74,148 annually in various percentages of their staff time which is \$2,690 more than the \$71,458 in staff time costs transferred to HCDC that would provide for more timely loan approvals and better loan disbursement and construction monitoring processes. A comparison of the additional annual MOH staff costs and the added HCDC contractual funding is identified as follows:

A Comparison between
Additional Annual Mayor's Office of Housing (MOH) Staff Costs and
Added Contractual Funding to the
Housing Conservation and Development Corporation (HCDC)

<u>Description</u>	<u>FTEs</u>	<u>Estimated Annual Amount¹</u>
City-wide Housing Tax Increment Program	.50	\$ 27,489
Midtown Park Conversion to Home ownership	.10	7,239
Additional Federal HOME Projects	.30	17,329
CHRP Funded Board and Care Facilities	.30	17,607
Technical Assistance to SFHA for Project Conversions	.05	4,484
Subtotal 1.25		\$74,148

Less: Funding to be Transferred to the Housing Conservation and Development Corporation (HCDC) for more timely loan approvals and better loan disbursement and construction monitoring processes. 71,458

Excess MOH Costs of Services in Addition to Costs of Services Transferred to HCDC \$ 2,690

¹Staff costs are calculated from assigned MOH position classifications identified in the Compensation Manual for FY 1993-94.

2. Mr. Joe LaTorre of the MOH advises that the estimated additional cost of \$2,690 in staff services can be met with existing staff by making minor adjustments to the percentages of MOH staff allocations that have been identified in Comment 1.
3. Because the estimated \$74,148 in additional required duties and responsibilities to be performed by the MOH annually are comparable in cost to the proposed \$71,458 in transferred duties and responsibilities to HCDC, the Budget Analyst concludes that the transfer of \$71,458 in costs of services from MOH to HCDC is justified. Therefore, the \$71,458 reserved for the HCDC should be released.
4. As noted above, the MOH has taken over from the SFRA the administrative duties related to the City-wide Tax Increment Housing program. In that regard, the SFRA has deleted two Development Specialist positions from their FY 1993-94 budget for an estimated budget reduction of \$131,843 annually.
5. Mr. Harry Quinn of the Department of Real Estate (DRE) advises that the administration of the Midtown Park Apartment currently requires about five percent of a DRE agent's time annually. The additional time allowed with the transfer of Midtown Park Apartment administration to MOH would permit DRE to accelerate their assistance to departments and agencies housed at City Hall which need to find alternative office space while earthquake improvements are completed at City Hall.
6. HOME Program funds may be used for five different categories including new construction, substantial rehabilitation (over \$25,000 per housing unit), other rehabilitation, acquisition (without associated new construction or rehabilitation) and tenant assistance programs.
7. MOH will undertake a new program during 1994 to provide low interest deferred loans for correcting code violations or meeting licensing requirements for owner-occupied Board and Care homes. MOH estimates that 25 beds for very low income residents in residential care facilities will be provided during 1994 through the efforts of this program.

Recommendation: Release the reserve of \$71,458.

Memo to Budget Committee
December 22, 1993

Item 1e - File 101-90-127.5

Department: Department of Public Works (DPW)

Item: Requesting release of reserved funds, for Marina Green West End Restrooms, Earthquake Safety Program Phase II.

Amount: \$116,774

Source of Funds: 1990 Earthquake Safety Bonds

Description: The Board of Supervisors previously approved a supplemental appropriation ordinance (File 101-90-127) which allocated \$26,500,000 for the Earthquake Safety Program - Phase II, for various capital improvement projects. Of the \$26,500,000 a total of \$16,427,980 was placed on reserve for various contractual services pending the selection of the contractors, and the determination of their MBE/WBE status.

The DPW is now requesting release of \$116,774 for the purpose of funding a portion of the construction contract for the seismic upgrade of the Marina Green West Restrooms as follows:

Release of Reserved Funds (subject of this request)	\$116,774
Federal Emergency Management Agency (FEMA)	<u>1,087</u>
Total Construction Contract	\$117,861

Comments:

1. Mr. Jorge Alfaro of the DPW advises that the \$1,087 in FEMA funds was previously authorized.
2. According to Mr. Alfaro, the proposed contractors, Pan Marine Constructors Inc. (WBE), and A.R. Construction Co. (MBE), a Joint Venture (JV), were the lowest of nine bidders.

3. The nine bidders and the bid amounts are as follows:

<u>Name of Company</u>	<u>Amount of Bid</u>
Pan Marine Constructors, Inc.	
A.R. Construction Co., JV (MBE/WBE)	\$117,861
United Builder Co. (MBE)	134,357
Lem Construction Co. (MBE)	142,985
K.P. Lam Construction (MBE)	155,000
C & L Construction Co. (MBE)	163,760
Wing Wong Building Construction (MBE)	172,090
McSharry Construction	179,800
Gomez-Chapot Construction Co., JV (MBE)	182,498
A. Ruiz Construction Co. (MBE)	227,846

4. Mr. Alfaro anticipates that construction will begin on the Marina Green West End Restrooms in January, 1994, and should be completed by early July, 1994.

Recommendation: Release the reserved funds in the amount of \$116,774.

Item 1f - File 101-92-3.1

Department: Department of Public Works (DPW)

Item: Requesting release of reserved funds, for Fire Station No. 40 Renovation Project, Earthquake Safety Program Phase I.

Amount: \$1,162,864

Source of Funds: 1989 Earthquake Safety Bonds

Description: The Board of Supervisors previously approved a supplemental appropriation ordinance (File 101-92-3) which allocated \$6,100,000 for the Earthquake Safety Program - Phase I, for various capital improvement projects. Of the \$6,100,000, a total of \$5,252,864 was placed on reserve for construction contracts pending the selection of the contractors, the determination of the MBE/WBE status of the contractors and finalized cost details.

The DPW is now requesting the release of \$1,162,864 from the previously reserved funds, for the purpose of funding the construction contract for the seismic upgrade of Fire Department Station #40, located at 2155 18th Avenue, as follows:

Construction Contract	\$1,046,000
Construction Contingency (11.1 percent)	<u>116,864</u>
Total Construction Costs	\$1,162,864

Comments:

1. The proposed construction contractor, Chiang C.M. Construction, Inc., an MBE firm, was the lowest of five responsive bidders.
2. The five responsive bidders and the bid amounts are as follows:

<u>Name of Company</u>	<u>Amount of Bid</u>
Chiang C.M. Construction, Inc. (MBE)	\$1,046,000
Agnotti & Reilly/T.E. Joo Construction, JV (MBE)	1,079,500
Cuevas & Mannion Construction (MBE)	1,084,900
Lem Construction (MBE)	1,096,000
Berrios Construction Co., Inc. (MBE)	1,177,000

3. Mr. Roger Wong of the DPW reports that the amount budgeted for the construction contingency of \$116,864 (11.1 percent of the construction contract) is higher than the usual ten percent contingency because the seismic upgrade of the Fire Station #40 will require the removal of asbestos from several locations. Mr. Wong advises that the Department is uncertain how much asbestos removal will ultimately be required, and thus is requesting a slightly higher contingency.

4. Mr. Wong anticipates that construction will begin on Fire Station #40 in early January, 1994, and should be completed by early September, 1994.

Recommendation: Release the reserved funds in the amount of \$1,162,864.

Memo to Budget Committee
December 22, 1993

Item 2 - File 7-93-16.4

Note: This item was continued from the Budget Committee meeting of December 15, 1993.

This item is a hearing to consider the joint report by the Mayor, Controller and Budget Analyst analyzing the need for financial and operational impacts of discount fares for senior and disabled individuals, as well as possible Muni fare changes that may be necessary, including the views of the Public Utilities Commission on all proposals analyzed in the report.

Attached is a copy of the joint report issued by the Controller, Mayor and Budget Analyst on December 13, 1993. Representatives of the Public Utilities Commission will attend the December 22, 1993 Budget Committee meeting to respond to questions or concerns of the Committee.



Mayor's Office of Program and Fiscal Policy
Office of the Controller
Board of Supervisors Budget Analyst

Joint Report on the Anticipated Revenue Shortfall
for the Fiscal Year 1993-94 Municipal Railway Budget

December 13, 1993

Honorable Carole Migden, Chair
and Members of the Budget Committee
Board of Supervisors
City Hall Room 235
San Francisco, California 94102

Dear Supervisor Migden and Members of the Budget Committee:

This joint report from the Mayor's Director of Finance, Controller, and Budget Analyst responds to your request for information on the projected revenue shortfall in the San Francisco Municipal (MUNI) Railway budget.

MUNI Revenue Shortfall of \$5.4 million

After reviewing the fare collections, based on only two months of complete data for October and November 1993, we now forecast a fare revenue shortfall of approximately \$5 million. We also project a reduction in State aid of \$400,000 for a total \$5.4 million revenue shortfall. Attachment A shows the monthly plan and actual fare revenue received for each category.

MUNI's Fiscal Year 1993/94 budget of approximately \$273 million assumes that the General Fund will contribute \$95 million, fares will raise \$102 million, and other revenues will contribute \$76 million. The final 1993/94 budget included the following two phase fare package that was projected to raise \$12.8 million.

Supervisor Migden, Chair
and Members of the Budget Committee
December 13, 1993
Page 2

Phase I, effective August 1:

- Increased the monthly Fast Pass price to \$35 from \$32;
- Increased youth, senior, and disabled discount fares to \$0.35 from \$0.25 and the monthly pass price to \$8 from \$5;
- Implemented an \$1.50 express service premium fare and a \$45 month premium pass; and
- Restructured the cable car fare by charging \$2 for a one-way trip (except for senior and disabled riders during non-peak hours).

Phase II, effective October 1:

- Eliminated the transfer system and half monthly pass and implemented the \$2.25 day pass and \$9 weekly pass.

The multiple changes to the fare structure in August and October and the tremendous interrelationship between all the categories of fares make it impossible to isolate the exact cause for the decrease in fare collection revenues. We also cannot isolate the cost or benefit of eliminating the transfer system and replacing it with the Day Pass.

We estimate that the proposed \$0.60 senior and disabled day pass will result in an annual revenue loss of \$400,000 or \$200,000 for the rest of this fiscal year if this change is made on January 1, 1994. The proposal is currently pending before the Board of Supervisors.

Supervisor Migden, Chair
and Members of the Budget Committee
December 13, 1993
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Options to Close the Gap

The following two options were discussed and analyzed to make up the projected fare revenue shortfall (see Attachment B). Please note that the options assume only a slight reduction in ridership based on previous fare increases. These options are presented to the Budget Committee for review and discussion purposes and are not proposed or sponsored by this joint report.

In Option A, we analyzed the original fare package proposed by the Public Utilities Commission and endorsed by the Mayor that would have raised fares across-the-board. If the entire proposal was implemented, including adult fares increased by \$0.25 from \$1 to \$1.25, adult monthly fast passes increased by \$2 from \$35 to \$37, and the transfer system reinstated with no day pass, we estimated that this plan could generate an additional \$500,000 a month over what's currently being collected. Assuming this fare package became effective on March 1, 1994, it would result in increasing revenue by \$2 million through the end of the fiscal year. This option would still leave a fare revenue shortfall of approximately \$3 million.

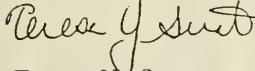
In Option B, we analyzed what actions could be taken to close the fare revenue gap completely and make the plan revenue neutral. We estimate that to close the \$5 million shortfall, various fare categories would have to be increased in price. One of the many possible combinations of fare increases is shown on Attachment B.

A major consideration for these options or any other alternative plan is the probability that a third change in the fare structure within one year could decrease ridership thereby providing no guarantee of recouping the full amount of either the \$2 million or \$5 million projections of options A and B.

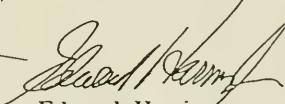
Supervisor Migden, Chair
and Members of the Budget Committee
December 13, 1993
Page 4

Our offices will continue to work closely together to keep the Budget Committee apprised of any changes in the estimated Fiscal Year 1993-94 revenue shortfall.

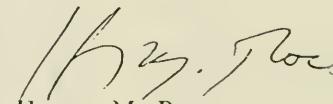
Respectfully submitted,



Teresa Y. Serata
Director of Finance



Edward Harrington
Controller



Harvey M. Rose
Budget Analyst

Attachment

cc: Members of the Board of Supervisors
Mayor Jordan
City Attorney
Chief Administrative Officer
Clerk of the Board
Anson B. Moran, Acting General Manager-PUC

Attachment A

1993-94 MUNI FAIR TRACKING: MONTHLY PAYMENTS ADJUSTED FOR RECEIVABLES

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Year to Date	Annual Est.	
NON-CABLE CAR CASH															
Plan	2,157,120	3,046,279	2,937,003	2,797,188	2,753,002	2,689,035	2,660,548	2,761,423	2,910,230	2,849,962	2,864,387	3,077,513	14,521,302	34,475,000	
Actual	2,172,593	3,267,733	3,003,612	2,895,151	2,581,378	2,727,237	191,624	NA	NA	NA	NA	NA	14,607,467		
Variance	13,463	221,454	61,699	-11,454	27,058	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA	81,165		
CABLE CAR CASH															
Plan	1,071,227	1,391,921	1,720,641	1,714,816	844,569	779,914	641,503	608,951	918,455	926,269	1,071,357	2,019,887	5,713,434	11,700,000	
Actual	1,232,711	1,669,183	1,359,921	1,720,086	813,497	261,270	61,072	NA	NA	NA	NA	NA	6,314,973		
Variance	180,761	217,251	269,280	1,713,521	-7.1%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	NA	521,491		
	13.0%	15.6%	21.3%										9.7%		
ADULT FAST PASS															
Plan	2,664,629	3,274,560	3,557,193	3,567,419	3,556,892	3,329,472	3,370,667	3,404,098	3,498,049	3,361,875	3,311,729	3,167,217	16,854,693	40,200,000	
Actual	2,197,807	3,179,388	3,293,918	3,544,188	3,471,794	2,661,275	1,723,231	655,098	NA	NA	NA	NA	NA	16,327,093	
Variance	29,174	195,172	1,205,275	1,052,725	-1.8%	-0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA	617,593	
	1.0%	-5.9%											NA		
DISCOUNT PASS															
Plan	301,112	404,467	496,744	516,177	519,662	506,835	501,148	515,658	521,076	509,849	521,237	495,315	2,238,882		
Actual	307,340	458,507	517,082	614,255	676,474	NA	2,547,553								
Variance	7,208	52,005	40,538	94,774	106,812	20,646	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA	301,071	
	1.9%	12.9%	8.1%	19.1%									13.6%		
PREMIUM PASS															
Plan	0	0	0	36,961	37,897	35,675	35,047	36,474	37,481	36,043	35,485	33,937	74,858		
Actual	0	0	0	42,379	51,059	NA	94,038								
Variance	NA	19,180													
														23.6%	
REGIONAL TRANSFER															
Plan	0	0	0	120,000	0	0	370,000	0	0	340,000	0	320,000	320,000		
Actual	0	0	0	261,120	NA	261,120									
Variance	NA	1,250,000													
DAY/WEEK PASSES/ETC															
Plan	0	0	0	748,715	748,715	748,715	748,715	748,715	748,715	748,715	748,715	748,715	1,497,431	6,738,438	
Actual	0	0	0	238,885	250,867	NA	489,757								
Variance	NA	NA													
TOTAL															
Plan	7,099,118	8,167,237	8,261,581	9,331,976	2,937,003	2,797,188	2,689,035	2,761,423	2,910,230	2,849,962	2,864,387	3,077,513	14,521,302	34,475,000	
Actual	7,310,228	8,452,806	8,726,533	8,724,164	7,775,069	0	8,227,828	8,075,719	8,174,006	8,174,713	8,153,280	8,812,584	14,607,467	1,601,598	4,381
Variance	211,110	295,589	114,957	607,612	655,668	NA	40,649,000								
	1.0%	3.6%	1.5%	6.5%	7.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	651,650	
														-1.6%	

Note: For now this report excludes 16,738,438 budgeted from replacement of transfers with day/week passes and additional use of transfers.

Attachment B

MUNI Fare Structure Scenarios

Fare Category	Existing Structure	Option A	Option B
Adult Cash	\$1.00	\$1.25	\$1.35
Adult Token	\$0.80	\$1.10	\$1.20
Adult Pass	\$35.00	\$37.00	\$40.00
Senior and Disabled Cash	\$0.35	\$0.35	\$0.40
Senior and Disabled Pass	\$8.00	\$8.00	\$9.00
Youth Cash	\$0.35	\$0.35	\$0.40
Youth Pass	\$8.00	\$8.00	\$9.00
Cable Car Cash	\$2.00	\$2.00	\$2.00
Premium Fare	\$1.50	\$1.50	\$1.50
Premium Pass	\$45.00	\$47.00	\$47.00
Day Pass	\$2.25	NA	NA
Weekly Pass	\$9.00	\$10.00	\$11.00
Estimated Fare Revenue Deficit	(\$5 Million)	(\$3 Million)	0

The estimated deficit total does not address the projected reduction of \$400,000 in State aid and only assumes a slight change in ridership.

Memo to Budget Committee
December 22, 1993

Item 3 - File 101-93-46

Department: District Attorney

Item: Supplemental appropriation ordinance for salaries and fringe benefits

Amount: \$1,000,000

Source of Funds: General Fund-General Reserve

Description: The District Attorney's Fiscal Year 1992-93 General Fund budget for general prosecution and administration was \$11,797,513 before deducting salary savings of \$839,056 (7.1 percent of \$11,797,513) for a net salaries budget of \$10,958,457. The Fiscal Year 1993-94 budget is \$11,714,386 less salary savings of \$1,256,813 (10.7 percent of \$11,714,386) for a net salaries budget of \$10,467,573.

Although the net amount budgeted for salaries in 1993-94 has decreased by \$490,884 (\$10,958,457 for 1992-93 less \$10,467,573 for 1993-94), the number of felony cases handled by the District Attorney has steadily increased as follows (based on Municipal Court filings statistics compiled by the State Justice Department):

1990	9,189
1991	10,153
1992	11,400

In addition to felony and misdemeanor cases that all County District Attorneys must prosecute, the San Francisco District Attorney also performs other services such as rebookings, Grand Jury investigations, public corruption investigations, environmental and consumer fraud investigations, civil cases and police support activities. The District Attorney reports losing 25 positions including six attorneys, eight investigators and 11 support staff since 1988.

In order to meet their legally mandated prosecution requirements, the District Attorney's Office has incurred actual General Prosecution Division costs through November 19, 1993 and projects General Prosecution Division costs from November 20, 1993 through June 30, 1994 as follows:

Memo to Budget Committee
December 22, 1993

Actual expenditures - 7/1/93-11/19/93	\$4,266,730
Projected expenditures - 11/20/93-6/30/94	<u>6,730,453</u>
Total Projected Expenditures	\$10,997,183
Budget	<u>10,054,545</u>
Projected Shortfall - Salaries	\$942,638
Fringe Benefits (19.5%)	<u>183,814</u>
Total Projected Budgetary Shortfall	\$1,126,452

According to the District Attorney's Office, of all the legally mandated services performed when a shortage in resources occurs such as the projected budgetary shortfall that is the subject of the proposed supplemental appropriation, the District Attorney's Office will first reduce the prosecution of non-violent misdemeanors in order to stay within budgeted funding for prosecution. Although the District Attorney's Misdemeanor Unit has 18 attorney positions authorized, the unit is currently operating with only 12 attorneys.

The proposed supplemental appropriation would provide an additional \$862,069 for prosecution salaries and \$137,931 for fringe benefits for a total of \$1,000,000. The \$80,569 balance of the projected shortfall in salaries (\$942,638 less \$862,069) and the \$45,883 balance of the projected shortfall in fringe benefits (\$183,814 less \$137,931) would be made up through savings in other accounts.

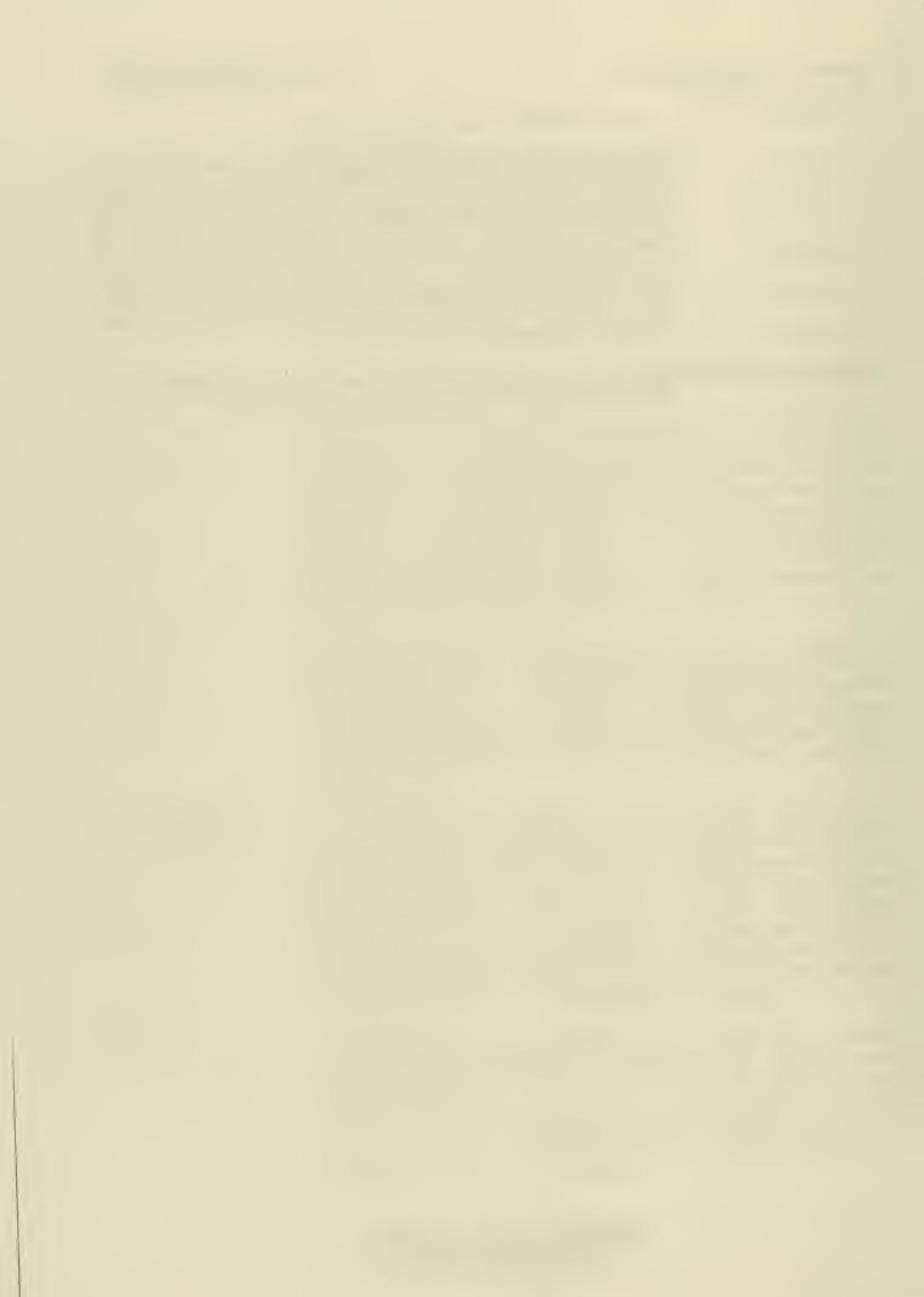
Comments:

1. According to the District Attorney's Office, there are no formal statewide or national standards for caseloads of District Attorneys. The assigned caseload is at the discretion of the District Attorney for each county. However, the District Attorney's Office indicates that surveys of other similar jurisdictions are used to determine the caseload for San Francisco's District Attorney staff. As of the writing of this report, the District Attorney's Office has not provided the Budget Analyst with caseload details and comparisons.
2. The District Attorney's Office indicates that the increased salary savings requirements for Fiscal Year 1993-94 were unacceptable to the District Attorney's Office since such budget reduction would have necessitated layoffs and work furlough programs. The District Attorney believes that the same level of service that was provided for Fiscal Year 1992-93 should be maintained for Fiscal Year 1993-94.

Memo to Budget Committee
December 22, 1993

3. The Budget Analyst notes that although the Fiscal Year 1993-94 salaries budget for the District Attorney's Office overall (including the General Prosecution Division) is \$490,884 less than the Fiscal Year 1992-93 salaries budget, the District Attorney is requesting a \$1,000,000 supplemental appropriation (based on a projected \$1,126,452 budgetary shortfall for General Prosecution Division salaries) or more than double the \$490,884 difference in the whole District Attorney's budget for salaries.

Recommendation: Approval of the proposed supplemental appropriation is a policy matter for the Board of Supervisors.



Memo to Budget Committee
December 22, 1993

Item 4 and Item 5 - Files 101-93-50 and 102-93-16

Department: Police

Item: Supplemental appropriation ordinance and ordinance amending the Annual Salary Ordinance creating three new positions for additional police services and support staff. The supplemental appropriation ordinance is the subject of previous budgetary denial and therefore requires a two-thirds vote for approval by the Board of Supervisors.

Amount: \$1,740,693

Source of Funds: General Fund - General Reserve

Description: 1. This proposed supplemental appropriation would increase the number of Uniformed Police Officers by 100 during the period of January through June, 1994. A Police Academy class for approximately 50 recruits would begin on January 24, 1994.

The Police Department reports that the current list for potential candidates will expire in January, and if an Academy Class is not started by that time, recruitment, background investigations and psychological examinations will have to be started over. The Department estimates that if the current list of eligible recruits expires, a delay of one year would occur, and an additional expenditure of approximately \$480,000 would be necessary. This estimated required expenditure is for Consent Decree Unit costs to perform job analysis and test administration and the cost of background investigation of a sufficient number of candidates to result in approximately 50 certified recruits for Police Academy training.

In addition, the proposed legislation would provide funding for 50 lateral transfers (sworn peace officers recruited from Police Departments in other cities). The officers from such lateral transfers would be hired in two groups of 25 each beginning May 2, 1994 and June 1, 1994. The transferred officers would receive two-weeks training in Police Department methods and procedures at the Police Academy.

With the addition of 100 Police Officers, the Police Department has also requested funding for related clerical and payroll support staff and other expenditures as detailed below.

Permanent Salaries - Uniform	\$1,131,325
(50 recruits hired in January, 25 lateral transfers hired in May, 25 lateral transfers hired in June)	
Uniform Mandatory Fringe Benefits	313,974
Other Contractual Services - Background Checks	82,500
Uniform allowance - 100 officers @ \$1,500	150,000
Permanent Salaries - Miscellaneous *	52,310
Miscellaneous Mandatory Fringe Benefits	<u>10,584</u>
Total	\$1,740,693

* Miscellaneous Salaries for the following new positions for the second six months of the 1993-94 fiscal year.

<u>Position</u>	<u>Bi Weekly Salaries</u>	<u>Maximum Annual Salaries</u>
1202 Personnel Clerk	\$1,047 to \$1,267	\$33,069
1222 Senior Payroll Clerk	\$1,323 to \$1,603	41,838
1424 Clerk Typist	\$979 to \$1,185	<u>30,929</u>
Total		\$105,836

Comments:

1. The \$62,894 cost for the new Miscellaneous positions (\$52,310 for Salaries and \$10,584 for mandatory fringe benefits) can be funded from current excess salary savings in the Police Department's accounts for Miscellaneous salaries and fringe benefits. Therefore, should the proposed legislation be approved, the total appropriation can be reduced by the \$62,894 amount.

Recommendation: The proposed supplemental appropriation is a policy matter for the Board of Supervisors.

If the Budget Committee approves the proposed legislation, the supplemental appropriation should be amended in order to reduce expenditures for Miscellaneous Salaries and Mandatory Fringe Benefits by \$62,894, thereby reducing the request from \$1,740,693 to \$1,677,799.

Memo to Budget Committee
December 22, 1993

Item 6 - File 101-93-56

Department: Police

Item: Supplemental appropriation ordinance for Uniform Salaries and Overtime. The supplemental appropriation ordinance is the subject of previous budgetary denial and therefore requires a two-thirds vote for approval by the Board of Supervisors.

Amount: \$4,400,000

Source of Funds:	General Fund - Controller's Reserve	\$2,400,000
	General Fund - General Reserve	<u>2,000,000</u>
	Total	\$4,400,000

Description: 1. The proposed supplemental appropriation is intended to fund an anticipated budget deficiency for Police Overtime salaries (\$2.4 million) and to increase appropriations for uniform salaries to the amounts needed for the remainder of 1993-94 (\$2.0 million).

2. The Mayor's recommended 1993-94 budget for Police Overtime was deficient by \$2.4 million, in the estimation of the Budget Analyst, based on historical overtime spending by the Department. This underfunding was reported to the Budget Committee by the Budget Analyst during the 1993-94 Budget Hearings in June, 1993. The Chief of Police concurred with the projected budget deficit. In response, the Controller established a special reserve for Police Overtime of \$2.4 million in order to fund the anticipated amount for 1993-94.

The Mayor's recommended 1993-94 budget for the Police Department eliminated 85 Uniform Police Officers. During the 1993-94 budget hearings, the Mayor's Office conferred with the Police Officers Association (POA) to determine if the POA's memorandum of understanding (MOU) with the City could be amended to achieve savings of approximately \$5.0 million in order to prevent the elimination of the 85 Police Officers.

The POA and the Mayor's Office reached an agreement that:

- Provided for three unpaid furlough days for Uniform Police Officers saving approximately \$1.5 million;
- Achieved net revenues for MUNI security services and Housing Authority security services of approximately \$1.5 million;

In addition, the Chief of the Police Department stated that early retirements would be encouraged in order to save approximately \$1.0 million. However, these savings have not been realized and the difference between the savings of \$3.0

BOARD OF SUPERVISORS
BUDGET ANALYST

million for furlough days (\$1.5 million) and MUNI/SFHA security services (\$1.5 million) and the \$5.0 million required for the restoration of the 85 Police Officer positions is \$2.0 million. According to the Mayor's Office, the Mayor made a commitment to the POA and the Police Department that the \$2.0 million would be funded from the proceeds of Proposition 172 (Sales Tax proceeds) if the ballot measure were to pass. Proposition 172 was approved by the voters in November, 1993, increasing 1993-94 Sales Tax revenue to the City by \$22.0 million.

The proposed supplemental appropriation would therefore increase funding for Uniform Salaries by \$2.0 million in order to make up the gap between savings and revenues described above and the amount required for restoration of the 85 Police Officers, as well as increasing appropriations for Police overtime by \$2.4 million.

Comments: The Budget Analyst has reviewed year to date expenditures for Police salaries and overtime and performed independent projections for the remainder of the fiscal year.

Based on our review of the data provided by the Department, the Budget Analyst currently estimates that this supplemental appropriation can either be reduced by as much as \$1.95 million or, alternatively, the Police Department could use excess appropriations to preclude the imposition of three unpaid furlough days on uniform personnel of the department which had been projected to save \$1.5 million this fiscal year. (Note: Item 22, File 207-93-22 on the Budget Committee Calendar is a resolution urging the Mayor to eliminate the policy of mandatory time off for Police Officers necessitated by the three days of unpaid furlough for the Department).

The primary reason for the projected savings identified by the Budget Analyst is that the Police Department has done much better than expected at controlling overtime costs for the first four months of the 1993-94 fiscal year.

Although the Police Department does not disagree with the current projections of the Budget Analyst, the Department requests that this item be continued for two weeks in order to further review salary and overtime expenditure data.

Recommendation: Continue the proposed supplemental appropriation for two weeks.

Memo to Budget Committee
December 22, 1993

Item 7 - File 101-93-52

Department: Controller-General City Responsibility
Public Defender
Superior Court

Item: Supplemental Appropriation Ordinance for costs of defending indigents (capital cases), the subject of previous budgetary denial.

Amount: \$500,000

Source of Funds: General Fund Reserve

Description: California State law requires counties to pay for the defense of all capital cases in which the accused defendant is indigent. Funding for the defense of indigents in capital cases is budgeted in the General City Responsibility Division of the Controller's Office. The Public Defender's Office is responsible for defending indigents except for cases in which there are multiple defendants, when there is some other conflict such as the defendant having been a witness in another Public Defender case or when the Public Defender does not have sufficient staff to handle the cases. In cases involving multiple defendants, the Public Defender can only defend one indigent defendant. When the Public Defender cannot accept cases, such cases must be assigned to private, outside attorneys appointed by the Superior Court from a panel of qualified attorneys.

Currently the Superior Court and the Public Defender together have a total of eight indigent capital cases open that require the use of private attorneys. Although cost details of the cases are confidential by law, the Superior Court and Public Defender indicate that the eight cases are estimated to cost between approximately \$10,000 and approximately \$110,000 each. The proposed supplemental appropriation is required in order for the Superior Court and the Public Defender to meet their obligations for the defense of indigents accused of capital crimes, in accordance with State law. The Superior Court and Public Defender project a \$500,000 budgetary shortfall in funding for defense of indigent capital cases for Fiscal Year 1993-94 as follows:

Memo to Budget Committee
December 22, 1993

Actual expenditures 7/1/93 - 11/24/93	\$263,300
Projected Expenditures 11/25/93 - 6/30/94	<u>500,000</u>
Total Projected Expenditures	\$763,300
Current General City Responsibility Budget	<u>265,200</u>
Projected Budgetary Shortfall	\$498,100
Rounded to	\$500,000

Comments:

1. The Superior Court reports that the cost estimates for the eight cases were obtained by obtaining cost estimates from private attorneys and Public Defender attorneys that perform such services.
2. Funding included in the proposed supplemental appropriation ordinance is the subject of previous budgetary denial. Therefore, the proposed supplemental appropriation ordinance requires a vote of eight members (two thirds majority) of the Board of Supervisors for final approval.

Recommendation: Approval of the proposed supplemental appropriation is a policy matter for the Board of Supervisors.

Item 8 - File 101-93-65

Department: Superior Court

Item: Supplemental appropriation ordinance for compensation of outside attorneys and expert witnesses for the defense of indigents (non-capital cases).

Amount: \$1,221,775

Source of Funds: General Fund Reserve

Description: State Law requires that the Public Defender provide defense services in cases where the defendant is an indigent. However, in some cases the Public Defender cannot accept a case and the Superior Court is required by law to assign the case to a private, outside attorney. Such occasions normally arise under three conditions: (1) there are co-defendants in the case and the Public Defender is limited to defending only one such defendant, (2) the defendant has served as a material witness in another case served by the Public Defender and (3) the Public Defender does not have sufficient staff to handle all cases. In such cases, the Superior and Municipal Courts select an outside attorney to provide counsel for indigent defendants from a list of attorneys provided to the Superior and Municipal Courts by the San Francisco Bar Association.

The costs of the outside attorneys for conflict criminal and juvenile dependency cases and expert witnesses are paid from the Superior Court's Fees and Compensation budget. The Superior Court has projected a budgetary shortfall through the end of Fiscal Year 1993-94 in their Fees and Compensation account based on actual expenditures from July 1, 1993 through October 31, 1993. An analysis for the projected 1993-94 budgetary shortfall for these expenditures is as follows:

	1993-94 Budget	Actual Expenditures 7/1/93-10/31/93	Projected Expenditures 11/1/93-6/30/94	Total Projected Expenditures	Projected Budgetary Shortfall
<u>Conflict Attorneys and Interpreters:</u>					
Criminal Cases	\$2,820,900	\$1,276,639	\$2,203,901	\$3,480,540	\$659,640
Juvenile Dependency Cases	1,400,000	748,135	1,113,192	1,861,327	461,327
Conservatorship and Probable Cause Cases	1,152,610	572,879	579,850	1,152,729	119
Expert Witness Fees	<u>1,057,000</u>	<u>464,929</u>	<u>692,760</u>	<u>1,157,689</u>	<u>100,689</u>
Total	\$6,430,510	\$3,062,582	\$4,589,703	\$7,652,285	\$1,221,775

Comments:

1. Ms. Kate Harrison of the Superior Court indicates that the projected expenditures included above for the period from November 1, 1993 through June 30, 1994 are based on average actual costs incurred between July 1 and October 31, 1993 including adjustments to exclude extraordinarily high cost cases.
2. Ms. Harrison reports that the Superior and Municipal Courts have taken a number of steps to control the costs of conflict cases leading to a reduction in the average cost per case. The Superior Court actively monitors the bills submitted by conflict counsel to insure that no excess or double billings have taken place. Before bills are submitted to staff for payment, Superior Court Judges review the bill for reasonableness and general consistency with average costs for the type of case under consideration. Since 1991, the Courts have recovered over \$130,000 in double payments from conflict attorneys. A comparison of the average cost per case paid to outside attorneys for 1992-93 and 1993-94 (through November 30, 1993) is as follows:

<u>Case Type</u>	<u>FY 1992-93</u>	<u>FY 1993-94</u>
<u>Criminal</u>		
Regular Felony	\$739	\$597
Serious Felony	5,962	3,242
Appellate	2,439	1,782
Probable Cause	459	670
Conservatorship	716	290
<u>Juvenile</u>		
Misdemeanor Delinquency	439	449
Regular Delinquency	1,033	797
Serious Delinquency	2,212	1,962
Dependency	967	758

3. Mr. Peter Keane of the Public Defender's Office advises that the Public Defender's Office adheres to caseload standards established by the American Bar Association, the State Bar of California and the California Public Defender's Association. However, Mr. Keane is not able to provide details of the Public Defender's caseload in comparison to these standards at this time.

4. Mr. Keane reports that juvenile dependency cases have a lower priority for the Public Defender's Office because they are not constitutionally mandated. Therefore, when the Public Defender loses staff resources (two positions were cut from the

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1991-92 budget and the salary savings budget for 1992-93 resulted in the loss of the equivalent of three positions), the first cases to be declined by the Public Defender are Juvenile Dependency cases. Mr. Keane indicates that currently the Public Defender is accepting approximately 80 percent of the Juvenile Dependency cases, with approximately 20 percent being assigned to private attorneys.

5. As shown in the projected budgetary shortfall table, \$461,327 or approximately 37.8 percent of the proposed \$1,221,775 supplemental appropriation is required to provide conflict attorneys and interpreters for juvenile dependency cases and \$659,640 or approximately 54.0 percent is to provide outside conflict attorneys and interpreters for criminal cases.

6. In FY 1992-93, the Superior Court funded five attorney positions in the Public Defender's Office by workorder to handle juvenile dependency cases. For FY 1993-94, the five positions were made a permanent part of the Public Defender's budget. In September, 1993, the Public Defender filled two of the five attorney positions and filled a third attorney position in December, 1993. Therefore, at this time, two of the five attorney positions designated for juvenile dependency cases remain unfilled.

Recommendation: Approval of the proposed supplemental appropriation is a policy matter for the Board of Supervisors.

Memo to Budget Committee
December 22, 1993

Items 9 and 10 - Files 101-93-23 and 101-93-43

Note: These items were continued from the Budget Committee meeting of December 15, 1993.

Department: Recreation and Park Department

Items: Supplemental appropriation ordinance for permanent salaries - miscellaneous for fiscal year 1993-94 for the Zoo Partnership Agreement (File 101-93-23).

Supplemental appropriation ordinance for permanent salaries - miscellaneous for fiscal year 1993-94 for the Zoo Partnership Agreement (File 101-93-43).

Amount: \$200,000 (File 101-93-23)

200,000 (File 101-93-43)

\$400,000

Source of Funds: \$200,000 Board of Supervisors Reserve
200,000 General Fund Reserve

Description: The two proposed supplemental appropriation requests in the amount of \$200,000 each, for a total of \$400,000, would be used to fund the balance of the \$4.0 million City General Fund contribution to the partnership agreement with the San Francisco Zoological Society. On September 7, 1993, the Board of Supervisors approved the lease and management agreement for the San Francisco Zoological Society to manage the Zoo. This agreement became effective on October 9, 1993. One of the provisions of this agreement is that the City would provide an annual payment of \$4.0 million to the Zoological Society in order to support salaries and fringe benefits for Zoo operations.

The FY 1993-94 budget included \$3,488,207 of General Fund monies for salaries and fringe benefits for the Zoo. If the proposed \$400,000 supplemental appropriations are approved, it would result in a total of \$3,888,207 of General Fund monies for salaries and fringe benefits for the Zoo.

During the budget deliberations, the Board of Supervisors established a \$200,000 Restoration Reserve for the Zoo Partnership Agreement (File 101-93-23). The second supplemental appropriation of \$200,000, was conditioned on the approval of the Sales Tax extension measure on the November, 1993 ballot (File 101-93-43). The November, 1993 Sales Tax measure was approved by the voters.

Comments:

1. According to Mr. Phil Arnold of the Recreation and Park Department, although the Partnership Agreement calls for an annual payment of \$4.0 million to the Zoo, because the agreement with the Zoological Society did not become effective until October 9, 1993, an overall total of \$3,888,207 of funding for the Zoo (which includes the two proposed supplemental requests) would be sufficient for fiscal year 1993-94.
2. According to Mr. David Anderson of the Zoo, each month the Recreation and Park Department pays the Zoological Society \$333,333, or one-twelfth of the \$4.0 million annual support. Since the agreement between the City and the Zoological Society did not become effective until October 9, 1993, the City will be paying the Zoological Society a total of \$2,913,979 for FY 1993-94. However, Mr. Anderson notes that since the \$2,913,979 to be paid to the Zoological Society is used to pay for staff salaries and fringe benefits, the balance of the funds, is needed to fully fund these Civil Service positions at the Zoo from July 1, 1993 through October 8, 1993, during the first three months of the fiscal year.
3. However, the Budget Analyst notes that the Recreation and Park Department actually expended \$963,731 from July 1, 1993 through October 8, 1993. As noted above, the City will be paying the Zoological Society a total of \$2,913,979 for the balance of the fiscal year, from October 9, 1993 through June 30, 1994. Therefore, the Recreation and Park Department needs a total of \$3,877,710 (\$963,731 plus \$2,913,979) to fund the Zoo's salaries and fringe benefits for FY 1993-94. The Recreation and Park Department's FY 1993-94 budget included \$3,488,207. That amount plus the proposed \$400,000 supplemental appropriations would result in a total appropriation of \$3,888,207, or \$10,497 more than the need of \$3,877,710 for FY 1993-94. Therefore, the proposed supplemental appropriation can be reduced by \$10,497.
4. In FY 1992-93, (prior to the transfer to the Zoological Society) \$3,737,190 in General Fund monies was included in the Recreation and Park Department's budget for salaries and fringe benefits for Zoo operations. In the FY 1993-94 budget, \$3,488,207 of General Fund monies was included in the Recreation and Park Department's budget for salaries and fringe benefits for Zoo operations, a reduction of \$248,983 or 6.7 percent. If the proposed \$400,000 supplemental appropriations are approved, it would result in a total of \$3,877,710 funding for salaries and fringe benefits

for the Zoo in FY 1993-94, an increase of \$140,520, or 3.8 percent over the FY 1992-93 General Fund contribution. Even if the recommended \$10,479 reduction noted above is accepted by the Budget Committee, the FY 1993-94 Zoo appropriations would still represent a \$130,041 increase, or a 3.5 percent increase over the FY 1992-93 General Fund appropriation.

5. The Budget Analyst also notes that based on an October 6, 1993 analysis of the first \$200,000 supplemental appropriation for the Zoo by the Mayor's Office, the Mayor's Office agreed to support these two \$200,000 supplemental appropriations if the Recreation and Park Department contributed an additional \$50,000 by eliminating a position within the Department. According to Mr. Phil Arnold of the Recreation and Park Department, the Department has not eliminated a position for a \$50,000 savings in FY 1993-94. Mr. Arnold reports that since the Zoological Society agreement did not become effective until October 9, 1993, if the City contributed \$400,000 of General Fund monies, then it would not be necessary to eliminate the \$50,000 position. Therefore, the Department has not eliminated this position. The Budget Analyst recommends that the proposed supplemental appropriation be reduced by the agreed upon \$50,000 savings from the Recreation and Park Department.

Recommendations:

1. Reduce the proposed supplemental appropriation by \$10,497, as discussed in Comment 3 above.
2. Reduce the proposed supplemental appropriation by \$50,000, as discussed in Comment 5 above.
3. Approve the proposed ordinances, as amended, granting a total of \$339,503 (request of \$400,000 less \$10,497 less \$50,000).

Memo to Budget Committee
December 12, 1993

Item 11 - File 101-93-38

Note: This item was continued at the Budget Committee meeting of December 15, 1993.

Department: Treasurer/Tax Collector

Item: Supplemental Appropriation for services of other departments (Police Security Services) in the amount of \$101,859, providing for ratification of action previously taken.

Amount: \$101,859

Source of Funds: Interest Earnings on Treasurer's Pooled Investments

Description: 1. Security Services for the Treasurer's Office were provided by the Police Department prior to Fiscal Year 1993-94 using three full time Building and Grounds Patrol Officers funded through the Police Department's budget. These Building and Grounds Patrol Officers were eliminated from the 1993-94 Police Department's budget along with other personnel who provided City Hall security. The annual cost of the three full time Building and Grounds Patrol Officers for the Treasurer's Office would be \$133,815 if it were included in the Police Department's budget this Fiscal Year.

2. The Police Department informed the Treasurer's Office that such security services could be provided at a cost of \$122,819 annually if Uniformed Police Officers paid at overtime rates were used instead of the three full time Building and Grounds Patrol Officers, a cost savings of \$10,996 annually. This savings results from greater flexibility in using overtime Police Officers (full time staffing would not have to be provided to cover absenteeism and vacation time; the Treasurer would only pay for hours worked) and the fact fringe benefits are not paid for overtime hours worked by Uniformed Police Officers.

3. The Police Department began assigning Uniformed Police Officers on overtime to the Treasurer's Office on September 1, 1993. The estimated cost of this supplemental appropriation for the ten-month period of September 1, 1993 through June 30, 1994 is \$101,859, the amount of this supplemental appropriation. The Budget Analyst has reviewed the calculation of this cost and agrees with the amount of the supplemental appropriation.

Comment: According to the Controller, the payment for these services from interest earnings will not impact the 1993-94 budgeted General Fund revenue for interest earnings.

Recommendation: Approve the proposed supplemental appropriation.

Memo to Budget Committee
December 22, 1993

Items 12, 13 and 14 - Files 101-93-64, 101-93-66 and 102-93-15

Note: These items were continued from the Budget Committee meeting of December 15, 1993.

Department:	Treasurer/ Tax Collector
Items:	Supplemental appropriation ordinance for \$120,847 for permanent salaries, mandatory fringe benefits, materials and supplies, equipment and services of other departments for the creation of four positions for the New Jobs Tax Credit Program (File 101-93-64).
	Supplemental appropriation ordinance for \$139,630 for permanent salaries, mandatory fringe benefits and equipment for the creation of two positions for Tax Collector enhancements (File 101-93-66).
	Annual Salary Ordinance amendment for FY 1993-94 reflecting the addition of six positions in the Treasurer/Tax Collector's Office (File 102-93-15).
Amount:	 <u>\$120,847</u> (File 101-93-64) <u>139,630</u> (File 101-93-66) \$260,477 Total
Source of Funds:	\$120,847 General Fund Reserve 139,630 Board of Supervisors Reserve
Description:	<u>File 101-93-64:</u> The proposed supplemental appropriation for \$120,847 would be used to fund the creation of four new positions, material and supplies, equipment and Controller services in the Tax Collector's Office to implement the New Jobs Tax Credit Program. The New Jobs Tax Credit Program, which became effective on July 1, 1993, amended the amount of business tax credit which applies to the following: 1) a 100 percent payroll tax credit for all new jobs created in San Francisco for the first year and 50 percent payroll tax credit for the jobs created in the second year, and 2) jobs created within San Francisco's Enterprise Zone (tax credits are summarized in the following table). San Francisco's Enterprise Zone comprises a total of 7,952 acres of land consisting of the Bayview Hunters Point, Mission, South of Market, Potrero Hill, Tenderloin, Chinatown, Western Addition and Haight Ashbury neighborhoods as well as the Mission Bay Project Area. The new jobs created must be maintained by the businesses for at least two years.

As shown in the following table, the New Jobs Tax Credit Program increased the amount of the employer's tax credit for the first five years and provides for a continued employer's tax credit in years six through ten, after a job is created within the Enterprise Zone.

<u>Duration of Employment</u>	<u>Previous Tax Credit (pct. of tax liability)</u>	<u>New Jobs Tax Credit (pct. of tax liability)</u>
Year 1	50%	100%
Year 2	40%	100%
Year 3	30%	50%
Year 4	20%	50%
Year 5	10%	25%
Year 6	0	25%
Year 7	0	15%
Year 8	0	15%
Year 9	0	10%
Year 10	0	10%

The four new positions, which would be funded through the proposed supplemental appropriation are as follows:

<u>Class and Title</u>	<u>Number of Positions</u>	<u>Annual Salary</u>
4222 Senior Auditor	1	\$49,329
4220 Auditor	1	44,970
1426 Senior Clerk Typist	1	33,069
1632 Senior Account Clerk	1	35,888

The proposed supplemental appropriation totalling \$120,847 (File 101-93-64) includes \$54,419 for salaries and \$11,428 for fringe benefits, based on hiring the four new positions effective March 1, 1994. The proposed supplemental appropriation assumes only four months of staffing from March 1 through June 30, 1994 since firms will not be filing for the New Jobs Tax Credit Program until February, 1994 based on the effective date of July 1, 1993. On an annualized basis, the creation of the four new Tax Collector positions is estimated to cost a total of \$197,539 (\$163,256 for salaries plus \$34,283 for fringe benefits).

According to the Tax Collector's Office, the Senior Auditor and Auditor positions are needed to conduct audits of the businesses claiming the New Jobs Tax Credit in order to verify the accuracy of the claims. Ms. Gail Friedlander of the Tax Collector's Office reports that the proposed audits are necessary to ensure compliance with the program, for

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BUDGET ANALYST

accurate reporting and to deter improper claims. The Tax Collector's Office estimates approximately 300 audits annually will involve the New Jobs Tax Credit Program. The Senior Clerk Typist and Senior Account Clerk positions would be used for support functions.

The proposed supplemental appropriation (File 101-93-64) also includes funding of \$4,000 for materials and supplies, including \$2,700 for additional forms and envelopes to notify the public through mailings of the New Jobs Tax Credit Program. In addition, the proposed supplemental appropriation includes \$15,000 for the addition of four new personal computers at \$3,000 per computer (total \$12,000) and one laser printer for \$3,000. Furthermore, the proposed supplemental appropriation includes \$36,000 for the Controllers' Information Services Division (ISD) to program the necessary New Jobs Tax Credit Program modifications to the Business Taxes System maintained on the IBM mainframe computer. The Controller's ISD costs are based on an estimate of 720 hours at \$50 per hour.

File 101-93-66: The proposed supplemental appropriation for \$139,630 would be used to fund the creation of two new positions and equipment for the Tax Collector's Office. The two proposed new positions are as follows:

<u>Class and Title</u>	<u>Number of Positions</u>	<u>Annual Salary</u>
1372 Special Assistant XIII	1	\$71,436
1654 Principal Accountant	1	54,131

The Special Assistant XIII position would be responsible for an overall restructuring of the Tax Collector's Office in order to redeploy existing staff to concentrate on revenue generating and revenue collection activities. The proposed Special Assistant XIII position would also serve as direct assistant to the Deputy Tax Collector, and serve as liaison with the Mayor, the Board of Supervisors and the business community.

The proposed Principal Accountant position would be responsible for financial accounting functions which were previously assigned to a 4220 Auditor. According to the Tax Collector's Office, if the proposed Principal Accountant position is approved, the existing Auditor would be returned to field audit responsibilities, which are estimated to generate \$400,000 annually in additional revenues for the City.

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The two new positions are funded in the proposed supplemental appropriation from December 1, 1993 through June 30, 1994 at a total cost of \$88,630 (\$73,247 for salaries plus \$15,383 for fringe benefits).

In addition, the proposed supplemental appropriation includes \$51,000 for installation of a 486 personal computer server, plus related hardware and software to install a local area network required to replace the Wang system.

File 102-93-15: The proposed ordinance would amend the 1993-4 Annual Salary Ordinance to create the six new positions funded by the two proposed supplemental appropriations identified above.

Comments:

1. The Board of Supervisors during their budget deliberations established a \$140,000 full year restoration for Tax Collector Enhancements. The proposed \$139,630 supplemental appropriation is being funded from this Board Restoration Reserve.
2. At the time that the New Jobs Tax Credit Program was approved by the Board of Supervisors, the Tax Collector's Office estimated that it would cost approximately \$115,400 to implement this Program in the first year. However, Mr. Richard Sullivan of the Tax Collector's Office indicated that it would be difficult to precisely estimate the new resources which will be needed, since the Tax Collector's costs will depend on the number of firms applying for the tax credit.
3. As previously reported, the New Jobs Tax Credit Program will reduce the growth of business tax revenues which would result from the creation of new jobs. The Budget Analyst estimated the amount of foregone business taxes at \$1,255,568 on an average annual basis in fiscal years 1993-94 through 1997-98. However, any new jobs which are created in San Francisco in response to the New Jobs Tax Credit Program would generate increased business tax revenues for the City. If, for example, 500 to 3,000 new jobs were created annually in response to the New Jobs Tax Credit Program, the estimated new tax revenues would range from \$251,097 to \$1,506,580 annually during the first five years, and between \$784,677 and \$4,78,060 annually in subsequent years. However, the number of jobs which would actually be created cannot reasonably be predicted in advance.

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4. The Tax Collector's Office estimates a total annual revenue loss of \$834,000 if the additional audit and support positions are not approved for the New Jobs Tax Credit Program. This revenue loss will occur because each audit involving the New Jobs Tax Credit Program will take longer to complete, resulting in fewer audits completed and ultimately lower audit delinquency billings for the City. For FY 1993-94, based on four months of staffing, this revenue loss would be pro-rated to approximately \$278,000.
5. The Electronic Information Processing Steering Committee (EIPSC) has approved the proposed computer equipment.
6. The Budget Analyst notes that the two proposed new positions of Special Assistant XIII and Principal Accountant are to be funded as of December 1, 1993 from the proposed supplemental appropriation (File 101-93-66). However, it is not likely that these positions would actually be filled until at least February 1, 1994. The Budget Analyst further notes that equipment lease/purchase costs were funded for \$51,000, however, the Tax Collector identified only \$49,600 of equipment costs. Therefore, the Budget Analyst recommends that the proposed supplemental appropriation (File 101-93-66) be reduced by \$26,722, including \$20,927 for salaries, \$4,395 for fringe benefits and \$1,400 for equipment lease/purchase. This reduction would result in an overall reduction of the proposed ordinance, as follows:

	<u>Proposed Funding</u>	<u>Recommended Funding</u>	<u>Savings</u>
Permanent Salaries	\$73,247	\$52,320	\$20,927
Fringe Benefits	15,383	10,988	4,395
Equipment Lease/Purch	51,000	49,600	1,400
Total	\$139,630	\$112,908	\$26,722

Recommendations: Reduce the proposed ordinance (File 101-93-66) by \$26,722 from \$139,630 to \$112,908, as detailed above.

Approval of the proposed ordinances, as amended, are policy matters for the Board of Supervisors.

Memo to Budget Committee
December 22, 1993

Item 15 - File 101-93-40.1

Department: Department of Public Health (DPH)

Item: Supplemental appropriation ordinance appropriating San Francisco General Hospital (SFGH) SB855 Medi-Cal revenue to a reserve for Management Information System Development in the amount of \$2,202,704. This item was severed from a supplemental appropriation ordinance previously heard by the Budget Committee at its meeting of December 15, 1994.

Amount: \$2,202,704

Source of Funds: SB 855 Disproportionate Share Payments. Disproportionate Share Payments are Federal funds, administered through the State Department of Health Services, awarded to hospitals that provide high levels of service to Medi-Cal eligible and medically indigent patients. Local jurisdictions transfer matching funds to a pool administered by the State that is then augmented by Federal funds. The pool is then allocated to contributing jurisdictions, resulting in a net revenue benefit for counties that have participated in the SB855 program.

Description: 1. The proposed supplemental appropriation is for \$2,202,704, to be placed on reserve and subject to a future supplemental appropriation, for DPH Management Information System (MIS) enhancements.

2. The DPH has requested \$2,202,704 to fund MIS development in order to prepare for implementation of *Managed Care* as required by the California Department of Health Services. However, the Mayor has placed this amount in a reserve, pending a detailed review of the DPH's MIS program. A supplemental appropriation requiring Board of Supervisors approval will be necessary in order for the DPH to expend funds from this reserve.

3. The DPH is proposing a "Health Care Reform Information Systems Project" to integrate all patient, clinical and financial systems now operating in support of the DPH Community Health Services (CHS), Community Mental Health (CMH), Laguna Honda Hospital and San Francisco General Hospital. This undertaking is to support the DPH strategic plan for implementation of a Managed Care system of Health Care as required by the California Department of Health Services and anticipated Federal Health Care reform.

4. The entire Health Care Reform Information Systems Project is anticipated to cost an additional \$23.3 million (including this request of \$2,202,704) over a five and one half year period between January 1, 1994 and June 30, 1999. The \$23.2 million total amount includes approximately \$20.8 million for a contract, to be awarded on a sole source basis to Shared Medical Systems (SMS) for provision of remote computing services, equipment and software. The balance of increased expenditures for the five and one half year period, or approximately \$2.4 million, represents increased MIS expenditures for Department of Public Health in-house costs.
5. Prior to execution of the proposed contract with SMS, the Department of Public Health must obtain Proposition J approval for the service, Human Rights Commission approval for the sole source contract, and EIPSC approval for the system design and implementation plan. In addition, the DPH must complete contract negotiations with SMS and obtain contract approval.
6. Due to the multi-year nature and \$23.2 million total increase in expenditures for the DPH's Health Care Reform Information System Project, the Budget Analyst has requested that the DPH provide the Budget Committee with a proposed financing plan for their consideration.

As of the writing of this report, the Budget Analyst has not received the DPH financing plan, which apparently will require significant General Fund dollars to fund the \$23.2 million project.

Recommendation: Continue the supplemental appropriation ordinance pending receipt of the DPH financing plan for the MIS project.

Item 16 - File 101-93-63.1

Note: This item was continued from the December 15, 1993 Budget Committee meeting.

Department: Department of Social Services (DSS)

Item: Supplemental appropriation ordinance; appropriating \$100,000, Department of Social Services, to implement Fingerprinting Program.

Amount: \$100,000

Source of Funds: General Fund - General Reserve

Description: 1. In order to implement the Fingerprinting Program for the General Assistance recipients, the Department of Social Services has chosen to enter into a sole source contractual agreement with Electronic Data Systems (EDS). The San Francisco Human Rights Commission has approved this sole source agreement.

2. The proposed agreement calls for a total expenditure of \$1,000,000 over a 60 month period (January, 1994 through December, 1998). Payments by the DSS to EDS would equal \$16,666.67 monthly for the term of the agreement. After a two month period of equipment installation and training, the DSS would begin operating the Automated Fingerprint Image Recording and Match (AFIRM) system in March, 1994. The AFIRM system is currently in operation in Alameda County and Los Angeles County. EDS has also recently reached an agreement to install AFIRM for Contra Costa County.

EDS describes the goal of the AFIRM system as

“ (the prevention) of fraudulent multiple applications for General Assistance by matching the fingerprints of applicants with those prints on file, both locally and in other counties which are participating with the AFIRM project.”

3. DSS has provided the attached budget for the 60 month term of the agreement in the amount of \$1,000,000. As can be seen, the budget provides an itemization of costs for equipment (\$75,573), implementation (\$51,983), on-going support (\$219,946) and enhancements (\$24,500). The sum of

these items is \$372,002. However, EDS has stipulated that they will provide these items for a total cost of \$369,500.

The balance of the \$1,000,000 budget, for "Central Site" services, in the amount of \$630,500, is not itemized. According to EDS, their contractual obligations to a vendor are proprietary in nature, thereby precluding EDS from providing a breakdown of these costs for the operation of the central computer facility, connected to DSS through a telecommunications network, and software licenses.

4. The requested \$100,000 would fund the AFIRM project for the last six months of 1993-94 (1/1/94 through 6/30/94; six months at \$16,666.67 per month).
5. DSS has received assurances from EDS that, should other Bay Area Counties elect to contract with EDS for the AFIRM system's services, Central Site service costs will be reduced, in proportion to each County's General Assistance caseload, for pre-existing users of the AFIRM system. DSS reports that the recent addition of Contra Costa County to the AFIRM system has resulted in reduced cost to Alameda County.
6. According to DSS, Los Angeles County first contracted with EDS for AFIRM services after a competitive selection process. Since that time, Alameda County and Contra Costa County have selected EDS on a sole source basis.

Recommendation: Approval of the proposed supplemental appropriation is a policy matter for the Board of Supervisors.

FIVE YEAR BUDGET

January 3, 1994 to December 31, 1998

I. Local Site \$ 345,000

A. Equipment

Hewlitt-Packard 705 Color SPU Bundle	(3)	\$ 33,300
Identix Touchview Camera	(3)	6,000
Hewlitt-Packard Laserjet Printer	(1)	2,300
CSU/DSU	(2)	3,200
Hewlitt-Packard Bridges	(2)	5,000
Software licenses		25,773
<u>Total Equipment</u>		<u>\$ 75,573</u>

B. Implementation

AT & T Installation	\$ 2,500
County Specific Definition/Analysis	8,721
CDS Data Conversion Program	7,475
CDS Daily Interface Program	7,475
Travel	6,000
Load/Configure Hardware	1,246
Shipping	500
Installation and On-site Assistance	4,984
Training	3,738
Documentation	1,869
Support Services	7,475
<u>Total Implementation</u>	<u>\$ 51,983</u>

C. On-going Support

Hardware Maintenance (\$531 x 60 months)	\$ 31,885
Software Maintenance (\$133 x 60)	8,000
AT & T Monthly Charges (\$2,025 x 60)	121,500
Support Services (934 x 60)	56,061
<u>Total On-going Support</u>	<u>\$219,946</u>

II. Central Site

\$ 630,500 **

Central Communications/File Server

Hewlitt-Packard 730-48MB SPU Bundle (1)
Hewlitt-Packard 1.3 GB Disk Drive (3)
Hewlitt-Packard DAT Drive & Tapes
Software Licenses
Cables

Matching Engine

Printrak Matching Engine
Hewlitt-Packard 730-48MB SPU Bundle
Software Licenses

Communication

CSU/DSU (2)
Hewlitt-Packard Bridge (2)
56kb line (L.A. to San Francisco) (1)

III. Enhancements to Basic System

\$ 24,500

One additional workstation with camera
Software licenses

TOTAL BUDGET \$1,000,000

Monthly Average 16,667

** Due to contractual obligations to a vendor, EDS cannot publish a breakdown of these costs.

Item 17 - File 101-93-35

Department: Department of Public Works (DPW)

Item: Supplemental appropriation ordinance for a capital improvement project to cover overage above ten percent of the contracted amount pursuant to provisions of Charter Section 7.203 and providing for ratification of action previously taken by the Department of Public Works for Fiscal Year 1993-1994.

Amount: \$170,341

Source of Funds: Reappropriation of previously appropriated capital project funds (1986 Fire Protection Bond Funds)

Description: The DPW reports that the proposed supplemental appropriation in the amount of \$170,341 would be used to pay for contract modifications, which exceed ten percent of the original contract, for the Cisterns II Project (see Comment #1). Charter Section 7.203 requires authorization of the Board of Supervisors if the amount of a contract is increased by more than ten percent of the original contract amount.

Comments:

1. The Cisterns II Project consists of constructing eight cisterns (underground tanks for storing water) in the Richmond, Sunset and Marina Districts. The work consists of excavating, shoring, dewatering (removal of water from ground), preparing foundations, constructing concrete cisterns, backfilling earth around the cisterns and restoring pavement.
2. The DPW advises that the additional expenditures are a result of the fact that during the installation of the dewatering system at North Point Street (where one of the eight cisterns is to be constructed), bay mud was unexpectedly discovered at the depth where a firm foundation is required to support a cistern. The bay mud had to be removed, according to Mr. Bob Jew of the DPW, but the contract for construction of the cistern did not include a provision for the removal of bay mud. Mr. Jew advises that the removal of the bay mud at North Point Street requires a \$195,246 modification to the construction contract to be funded from the original ten percent contingency amount of \$199,240, leaving only \$3,994 budgeted for contingencies on the remaining seven cisterns. Thus, the DPW is requesting a supplemental appropriation to increase the contingency by \$170,341 in addition to the remaining \$3,994, for a total of \$174,335, which is the estimated ten percent contingency amount required for construction of the remaining seven cisterns.

3. The budgetary details of this contract coverage above ten percent of the original contract amount for the Cisterns II Project are as follows:

Original Contract Amount	\$1,992,405
Contract Modifications	<u>369,581</u>
Revised Contract Amount	\$2,361,986
Previously Appropriated Funds for Contractual Services (including 10% contingency of \$199,240)	<u>2,191,645</u>
Excess of Revised Contract Amount Over Previously Appropriated Funds	\$170,341

4. As reflected above, a total of \$2,191,645 was previously appropriated due to the original contract amount of \$1,992,405 plus a ten percent contingency of \$199,240. The actual revised contract amount of \$2,361,986 includes contract modifications which resulted in a net increase of \$369,581 or 18.5 percent greater than the original contract amount of \$1,992,405. Therefore, as stated above, Charter Section 7.203 requires authorization of the Board of Supervisors since the contract modification exceeds ten percent of the original contract amount. However, the \$170,341 proposed supplemental appropriation request represents the difference between the previously appropriated funds of \$2,191,645 and the revised contract amount of \$2,361,986.

5. Mr. Jew reports that the contractor started the removal of the bay mud at North Point Street as of September 29, 1993. Therefore, the proposed ordinance would provide for ratification of action previously taken.

Recommendation: Approve the proposed ordinance.

Item 18 - File 100-93-16

Departments: Mayor's Office of Children Youth and their Families (MOCYF)
Department of Public Health (DPH)

Item: Hearing to consider the disposition of \$1.6 million of the 1993-94 Children's Fund that were appropriated by the Board of Supervisors for youth health programs operated by the Department of Public Health.

Description: In approving the 1993-94 budget, the Board of Supervisors included in the Restoration Reserve a transfer in the amount of \$1,600,000 for purposes of paying for services, budgeted to the DPH, for children thereby freeing up \$1,600,000 of General Fund revenues included in the DPH budget for other needed expenditures.

The Children's Amendment to the San Francisco Charter (Section 6.415) was approved as Proposition J in November, 1991. The Children's Amendment requires that the City identify a baseline level of services to children (in Fiscal years 1990-91 or 1991-92, whichever was greater) which must continue to be provided for ten years (adjusted by the percentage of change in City appropriations after 1991-92). Additionally, the Children's Amendment establishes a Children's Fund to pay for services to children above and beyond the baseline level of services. The Children's Fund is financed by a set aside of property tax revenues (\$0.0125 per \$100 assessed valuation for FY 1992-93 and \$0.025 per \$100 assessed valuation for FY 1993-94 and subsequent years).

Each year, the City must adopt a Children's Services Plan, in accordance with the Children's Amendment, that details the City's allocations of the Children's Fund. Budgets for baseline children's services expenditures are included in regular departmental budgets. The Children's Services Plan for each year must allocate at least 25 percent of the Children's Fund to each of three service categories: 1) childcare, 2) health and social services, and 3) job readiness, training and placement. The balance of not more than 25 percent may be used only for libraries, recreation, delinquency prevention and education programs for children.

The Fiscal Year 1993-94 Children's Services Plan previously approved by the Board of Supervisors (File 185-92-5) allocated a total of \$13,200,000 as follows:

Childcare	\$3,069,926
Health and Social Services	3,069,926
Job Readiness, Training and Placement	3,069,926
Library, Recreation, Delinquency Prevention, Education	3,069,926
Administration	<u>920,296</u>
Total	\$13,200,000

The 1993-94 Children's Services Plan includes a total of \$3,866,185 allocated for the San Francisco Unified (not the San Francisco Unified School District) Departmental Services Fund. This Fund is also known as the Community Based Organization (CBO)/Departments Collaboration Fund. In approving the City's Fiscal Year 1993-94 budget, including the MOCYF (Children's Fund) budget, the Board of Supervisors designated that children's services in the DPH budget totalling \$1.6 million be transferred to the Children's Fund. These DPH services to children are currently funded by the General Fund. The Board of Supervisors directed the DPH and MOCYF to identify which DPH services to children (tentatively estimated at \$1.6 million) would qualify under the Children's Amendment to be transferred from DPH (General Fund support) to the Children's Fund (Children's Fund support).

The DPH and MOCYF have identified a total of \$1,446,153 in DPH services that qualify for Children's Fund monies in accordance with provisions of the Children's Amendment. The DPH is preparing a letter to the Budget Committee regarding \$145,443 of the \$1,446,153 in childrens services (this letter has not been finalized as of the writing of this report). The DPH and MOCYF have prepared a draft supplemental appropriation ordinance for \$1,300,710 (\$1,446,153 total less the \$145,443 addressed by the DPH letter) and an ordinance to amend the Annual Salary Ordinance (File 102-93-17), which will be submitted to the Board of Supervisors for review and approval, in order to transfer two positions and five contracts from DPH to the Children's Fund as follows:

Personnel

2930 Psychiatric Social Worker

\$24,299

One half time Psychiatric Social Worker (at the third step) for a program that enhances social competence among Asian children who are dually diagnosed as developmentally delayed and mentally disabled. Services are provided through integrated play groups conducted at school and community based mental health clinics.

2830 Public Health Nurse

31,658

One half time Public Health Nurse (at the third step) investigates the causes of lead poisoning in children and medical surveillance of children to ensure their safety.

Mandatory Fringe Benefits

12,753

Total Personnel

\$68,710

Contractual Services

Horizons Unlimited

600,000

This agency provides day treatment services to Latino youth drug abusers and sellers. Services include full day services of counseling, support services, parenting, family reunification, referral services, vocational training, and social activities. The program capacity is for 60 youth.

Westside Community Mental Health

- Intake and Assessment for Youth

100,000

This program provides intake assessment and develops treatment plans for youth substance abusers and sellers. The program capacity is 60 youth.

Morrisania West, Inc.

250,000

This agency provides day treatment services with a focus on African American youth. The day program has a capacity of 30 youth, who receive extensive drug intervention and treatment. Other services include social and parenting activities, vocational services, and information and referral.

<u>Potrero Hill Neighborhood House</u>	\$250,000
This program provides day treatment services to African American adolescents and youth. Program emphasis is on individual, group and family substance abuse counseling. Additional services include vocational, job readiness training, tutoring, and community awareness training. The program capacity is 30 youth.	
<u>Primary Intervention Program</u>	<u>32,000</u>
The Primary Intervention Program (PIP) is a model of early intervention developed and evaluated in Rochester, New York that has been adopted as a Statewide model with support from the State Departments of Mental Health and Education. Paraprofessionals work in elementary schools for a 12-week period as "Special Friends" to pre-school and elementary school children identified by teachers as "at risk". Mental health professionals provide training and clinical consultation. The Edgewood Children's Center provides training and administration of the PIP programs. The neighborhood Community Mental Health Clinic provides clinical supervision one hour a week.	
Total - Contractual Services	<u>\$1,232,000</u>
Total Proposed Transfer of Children's Services (Supplemental Appropriation Ordinance)	\$1,300,710

Comment:

If the Committee concurs with the above-proposed allocation of the \$1,300,710, then the Committee should continue this matter until such time that the draft supplemental appropriation ordinance is approved as to form by the City Attorney and has been introduced and both the supplemental appropriation and the proposed ordinance to amend the Annual Salary Ordinance (File 102-93-17) can be calendared together.

Memo to Budget Committee
December 22, 1993

Items 19 and 20 - Files 101-93-2.3 and 101-93-2.4

Department: Controller

Items: Amendments to the Administrative Provisions of the Annual Appropriation Ordinance (AAO).

Description:

1. Item 19, File 101-93-2.3, permits the Controller to make the necessary computational adjustments to appropriations that result from recent decisions of the Retirement Board to reduce City contributions necessary to fund future retirement benefits for City and County employees. Such adjustments will result in reduced General Fund expenditures of approximately \$15.5 million according to the Controller's estimate.
2. Item 20, File 101-93-2.4, permits the Controller to designate the revenue proceeds of Proposition 172 Sales Tax monies (Public Safety Augmentation Fund) as the first source of funding for Public Safety purposes in compliance with State law.

Recommendation: Approve the proposed ordinances.

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Item 21 and Item 22 - Files 100-93-18 and 207-93-22

Department Police Department

Items: Item 21 (File 100-93-18) is a resolution urging the Mayor to urge the Police Chief and the Police Commission to prepare a budget that increases the Uniformed Police force to 1,971 full duty sworn officers.

Item 22 (File 207-93-22) is a resolution urging the Mayor to eliminate the policy of mandatory time off for Police Officers.

Description: 1. File 100-93-18 The present uniformed staffing for the Police Department is 1,800 officers. If the Police Department were to include full staffing for 1,971 uniformed officers, the Budget Analyst estimates that the total budget for the Police Department would increase by approximately eight percent. In dollars, this would increase the Police Department's budget by up to \$14.5 million on an annual basis at current salary and fringe benefit levels. The actual amount of increased expenditures will depend on future approval of appropriations for non-salary items such as vehicles, equipment, materials and supplies. This estimated cost also includes the need to recruit new officers on a continual basis in order to replace officers leaving the Department.

In order for the Police Department to add staff to meet the 1,971 uniformed officer level, the Police Department would have to increase recruitment and selection efforts over the next two years. Actual expenditures for the next two years would be less than the up to \$14.5 million annual cost for full staffing referenced above.

Item 4 (File 101-93-50) of this report describes the cost of adding 100 Police Officers during the last six months of Fiscal Year 1993-94. The proposed supplemental appropriation for this addition of 100 Police Officers equals \$1.75 million for the six month period of January through June, 1994. The proposed addition of 100 Officers is dependent on an Academy class of 50 recruits beginning in January, 1994 and 50 lateral transfers from other Police Departments in the months of May and June, 1994.

To attain full uniform staffing on a continual basis, the City's annual budget would have to anticipate the effect of attrition of uniformed officers. Therefore, the budget would need to include expenditures for recruitment, selection and training of Police Officers on a continual basis.

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2. File 207-93-22 The current Police Department budget is balanced on the assumption that all uniformed officers would take three unpaid furlough days (mandatory time off) over the remainder of the 1993-94 fiscal year. The unpaid furlough days were agreed to by the Police Officers Association during the 1993-94 budget approval process as a savings to offset the cost of retaining 85 Police Officers who had been eliminated from the budget by the Mayor. The Police Department estimates that approximately \$1.5 million will be saved by the furlough program. This savings was projected in order to balance the Police Department 1993-94 budget.

Recommendation: The proposed resolutions are policy matters for the Board of Supervisors.

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Item 23 - File 13-93-46

1. The proposed resolution would support Walden House in its application for a Department of Housing and Urban Development (HUD) grant entitled Youthbuild.
2. Mr. Michael McMahon of HUD advises that the HUD Youthbuild Grant Program is a new Federal grant categorical program which is providing \$38 million annually in grant award nationwide over the next two years per submitted applications directly to HUD's Central Office in Washington, D. C. Applications are to be received by January 7, 1994 and recipients are to be notified of awards in May of 1994.
3. The purpose of the HUD Youthbuild Grant Program is to train and employ low socioeconomic status youth, and to provide low cost or transitional housing for homeless individuals.
4. In addition, the Youthbuild Program is to train young disadvantaged children in the construction trades. Therefore, it would be necessary for Walden House to secure binding agreements with local trade unions to bring targeted youth into some version of their existing apprenticeship programs. In turn, the trade unions who enter into such agreements would benefit by being employed on all construction projects which have funds awarded from the Youthbuild Program grant funds.

Comments

1. Walden House is a publicly funded program in San Francisco with various facilities throughout the City including a multi services center located at 1885 Mission Street, an adolescent facility located at 214 Haight Street, and two adult residential facilities located at 815 Buena Vista West and 890 Hayes Street. Their business office is located at 520 Townsend Street. Walden House has a FY 1993-94 budget of \$11.2 million. Of this amount approximately \$7.4 million is from various grants, \$3.4 million from welfare program categorical aid payments and \$0.4 from miscellaneous revenues. In addition, Walden House has received \$155,000 in Community Development Block Grant (CDBG) funds for 1993 and 1994 to rehabilitate their various facilities located in San Francisco.
2. Walden House was founded 24 years ago to provide assessment, case management, day and residential treatment, educational development and aftercare to adults, adolescents and their families. Its clientele are indigent and low income City residents, including special needs populations such as the homeless, persons with HIV, mothers with at-risk children, sexual and ethnic minorities and a variety of other related groups.

3. Mr. Chris Geiger of Walden House advises that the application of Walden House for the HUD Youthbuild Grant funds is currently being prepared and will be submitted to HUD before the application deadline on January 7, 1994.

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4. Mr. Geiger reports that the Walden House proposal for the Youthbuild Grant Program would provide economically disadvantaged youth with education and employment skills. This would be accomplished by providing the opportunity for meaningful work within San Francisco by creating transitional housing for homeless individuals. The proposed Youthbuild Grant Program would be designed to provide both new construction and rehabilitation work experience onsite and would also provide offsite academic classes, job skills training, leadership development and supportive services for young adults, who are economically disenfranchised and who have failed in traditional academic settings. It is intended that these young adults be under the age of 24. Many of these youth will be at high risk for substance abuse and gang involvement, according to Mr. Geiger.

5. Mr. Geiger also reports that the Walden House proposal would involve local union agreements that would enable the participating youth to be trained in apprenticeship programs. Further, Mr. Geiger expects that the Walden House proposal would apply for approximately \$1.0 million in Federal funds for a grant request involving implementation related categories only. (Applications may also include requests of up to \$100,000 for planning related activities.) In addition, the Walden House proposal may include other organizations and agencies with similar interests in training disadvantaged youth.

6. Because the Walden House application for HUD Youthbuild Program grant funds has not yet been completed, the Budget Analyst has not had an opportunity to undertake a full review of the contents of the application.

7. Mr. Joe LaTorre of the Mayor's Office of Housing (MOH) advises that the Walden House's application for HUD Youthbuild Grant Program funds must be reviewed by the MOH to determine its conformance with the City's Comprehensive Housing Affordability Strategy (CHAS).

Recommendation

Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Item 24 - File 121-92-11

Note: This item was transferred from the Health, Public Safety & Environment Committee meeting on November 23, 1993 because it was determined to have fiscal impact.

1. The proposed ordinance, would amend Chapter VIII, Part II of the Police Code by adding new Sections 1147 through 1147.6, which would require (1) training for taxicab drivers, (2) installation of safety equipment in taxicabs, and (3) compliance with California Workers' Compensation statutes and regulations. The proposed ordinance represents an Amendment of the Whole to the original legislation, which was approved at the Health, Public Safety and Environment Committee meeting on November 23, 1993.

2. Under the proposed ordinance, Section 1147 states that the purpose of the Sections 1147 through 1147.6 is to require that all persons, firms or corporations holding taxicab permits, and all persons applying for driver's permits, take steps to improve taxicab services to the public and to protect the public health and safety when providing such services.

3. Section 1147.1 would provide that all new applicants for permits to drive taxicabs shall certify that they have successfully completed a driver training course. Such training course must include instruction on crime prevention, vehicle safety, the geography of the City and County of San Francisco, taxicab rules and regulations, the California Motor Vehicle Code, pedestrian safety and any other subject that the Chief of Police may determine to be relevant to the health and safety of the public in relation to the operation of taxicabs. The recommended course length is 16 hours of classes, but the Chief of Police shall have the discretion to set a higher or lower requirement. The training course may be offered by the San Francisco Police Department, the San Francisco City College District or any other such entity that is approved by the Chief of Police. Within 60 days of the effective date of this ordinance, the Chief of Police shall adopt regulations setting forth the required course length and content.

4. Section 1147.2 would provide that within 180 days of the effective date of this ordinance all vehicles newly placed into service as a taxicab must (1) be equipped with automatic door locks that can be controlled by the driver, and (2) allow for direct access to the taxicab dispatch service in an emergency. Additionally, within 180 days of the effective date of this ordinance, all taxicab color scheme permit holders, except for owner/operator taxicabs, shall ensure that a minimum of 50 percent of the taxicabs are equipped with a retractable safety partition that is controlled by the driver and forms a complete barrier between the front and rear seats. Taxicab color scheme permit holders in taxicab companies, of which there are 32 in the City, have a specific color scheme for their cabs (i.e., Yellow Cab Company). Also under this Section, the Chief of Police shall have (1) the authority as he or she deems necessary to set forth standards for safety partitions, standards and procedures for taxicab drivers and dispatchers to follow in an emergency, standards for automatic door locks, and (2) the authority to issue any other

regulations conserving taxicab equipment or operation that he or she determines will promote the prevention of taxicab crime and the protection of the public.

5. Section 1147.3 would provide that the Chief of Police shall hold an annual hearing to review (1) the taxicab permit holders' compliance with this proposed legislation, (2) the effectiveness of safety equipment and safety measures currently in effect, and (3) the need for further measures to reduce taxicab crime and to protect the public safety. At the conclusion of this hearing, the hearing officer shall make a written report to the Police Commission. Based on the findings of this report, the Chief of Police shall determine whether or not further regulations are needed to implement this proposed legislation. Additionally, the Chief of Police shall direct the appropriate Police Department personnel to compile and maintain statistics on taxicab crimes, to be submitted to the Police Commission and the Chief of Police in conjunction with the annual hearings mandated by this Section.

6. Section 1147.4 would stipulate that all persons, firms or corporations holding taxicab color scheme permits must comply with all State statutes concerning Worker's Compensation. Additionally, taxicab color scheme permit holders must include a sworn statement attesting to compliance with such statutes, as part of the annual permit filing process. As noted above, taxicab color scheme permit holders include taxicab companies, which have a specific color scheme for their cabs (i.e., the Yellow Cab Company). Permit holders which are not color scheme holders are primarily individual taxicab drivers or very small companies which would not be subject to this provision.

7. Section 1147.5 states that by adopting this ordinance the City is only promoting the general welfare and is not assuming or imposing on the City's officers or employees an obligation, which if breached, would cause the City to be liable in money damages to any person who claimed such breach caused injury.

8. Section 1147.6 would provide that every person, firm or corporation holding a taxicab permit who violates any of the provisions of this proposed legislation shall be subject to disciplinary action pursuant to Section 1090 of the Police Code. Under Section 1090, violations are punishable by revocation or suspension of a permit.

Comments

1. Officer Farrell Suslow of the Police Department reports that the Police Department is currently providing a once a week training course for approximately 20 to 25 taxicab drivers. Officer Suslow advises that the 3 1/2 to 4 hour course covers the following subject matter: (1) crime prevention, (2) vehicular safety, (3) taxicab rules and regulations and (4) the California Motor Vehicle Code. Officer Suslow states that the Department is proposing to expand the course to include passenger relations (i.e., awareness of passenger needs and concerns, particularly with respect to handicapped persons) and Airport rules and regulations as they pertain to taxicabs. Based on the inclusion of this additional subject matter, the course is expected to require approximately 6 hours to complete. According to Officer Suslow, the Department believes that the proposed expanded course will be sufficient to meet the training needs of the taxicab drivers. Officer Suslow advises that the cost

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for the Department's current training course is covered by the application fee paid by the taxicab drivers and therefore the City is fully reimbursed for its costs regarding the training course.

3. According to Officer Suslow, the Police Department would potentially incur an estimated maximum of \$6,500 in costs annually in connection with (1) the compilation and maintenance of statistics on taxicab crime and (2) the proposed annual hearing to determine taxicab company compliance with the proposed legislation, the effectiveness of the safety equipment and the need for further measures to reduce taxicab crime. Additionally, Officer Suslow advises that the Police Department believes that the provision under Section 1147.4 of the proposed ordinance which provides that taxicab color scheme permit holders must include a sworn statement attesting to their compliance with Workers' Compensation statutes and regulations as part of the annual filing with the Police Department, could result in an undetermined fiscal impact on the Department. According to Officer Suslow, in the opinion of the Police Department, the fact that the Police Department would be responsible for collecting the sworn statements, places the Department in the position of potentially having to perform an investigation should a dispute arise regarding whether or not a given taxicab color scheme permit holder is in fact in compliance with Workers' Compensation statutes and regulations.

5. Officer Suslow reports that depending on the level of ballistic quality, the installation of a safety partition in each cab could cost taxicab companies from \$450 to \$2,000 per vehicle. Mr. Nathan Dwiri, Manager of the Yellow Cab Company, estimates that it will cost approximately \$1,000 to install a safety partition in each cab. Officer Suslow estimated that automatic door locks would cost taxicab companies from \$100 to \$125 for installation per cab. Officer Suslow noted that late model automobiles have automatic locks already installed. Mr. Dwiri indicated that approximately one-third of his company's fleet of cabs will have automatic door locks by the end of 1993.

6. Captain James Molinari of the Police Department advises that fact finding hearings on the proposed legislation were held before the Police Commission on May 25, 1993 and June 1, 1993. Based on the findings of fact from these hearings, an Amendment to the Whole on the original proposed legislation was drafted by the Police Department. This amended legislation was adopted by the Police Commission on September 15, 1993. The Police Department's Amendment of the Whole differs from the above noted amended proposed ordinance, as follows:

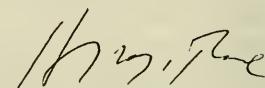
(1).Section 1147.1 would provide that all new applicants for permits to drive taxicabs shall complete a driver training course, which shall consist of classes on the following subjects: crime prevention, vehicular safety, passenger relations, taxicab rules and regulations, the California Motor Vehicle Code, and any other subject the Chief of Police may determine is relevant to the public health and safety (no specific length of time is recommended for this course). The course may be offered by the Police Department or any other entity the Chief of Police may approve. Within 120 days (as opposed to the 60 days specified in the proposed legislation) of the effective date of this ordinance, the Chief of Police shall adopt regulations setting forth the required course length and content.

BOARD OF SUPERVISORS
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(2). Section 1147.2 would provide that within 60 days of the effective date of this ordinance, all new vehicles placed into service as a taxicab must be equipped with automatic door locks (as opposed to the 180 days specified in the proposed legislation). Additionally, within 120 days of the effective date of this ordinance (as opposed to the 180 days specified in the proposed legislation), all taxicab color scheme companies, whereby ten or more taxicabs are permitted to operate, shall insure that a minimum of 25 percent of such permitted taxicabs are equipped with retractable safety partitions. The proposed legislation provides that, except for owner/operator taxicabs, all taxicab color scheme companies shall ensure that a minimum of 50 percent of their taxicabs are equipped with retractable safety partitions. Also, the proposed legislation additionally provides that a retractable safety partition shall be made available by the taxicab company of any driver who requests one in his or her taxicab, and no retaliation or discriminatory action shall be taken against any driver who requests a retractable safety partition.

Recommendation

Approval of the proposed ordinance is a policy decision for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Migden
Supervisor Hsieh
President Alioto
Supervisor Bierman
Supervisor Conroy
Supervisor Hallinan
Supervisor Kaufman
Supervisor Kennedy
Supervisor Leal
Supervisor Maher
Supervisor Shelley
Clerk of the Board
Chief Administrative Officer
Controller
Teresa Serata
Robert Oakes
Ted Lakey

BOARD of SUPERVISORS



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NOTICE OF CANCELLED MEETING

BUDGET COMMITTEE

NOTICE IS HEREBY GIVEN that the regularly scheduled meeting of the Budget Committee for Wednesday, December 29, 1993 at 2:00 p.m., has been cancelled.

John L. Taylor
JOHN L. TAYLOR
Clerk of the Board

POSTED: DECEMBER 21, 1993

**BUDGET COMMITTEE
BOARD OF SUPERVISORS
ROOM 235, CITY HALL
SAN FRANCISCO, CA 94102**

IMPORTANT HEARING NOTICE

